

The Forum on Education Abroad

Financial Statements

Years Ended June 30, 2024 and 2023
with Independent Accountant's Review Report

MaherDuessel

A horizontal bar is positioned below the company name. The left portion of the bar is black, and the right portion is blue, matching the color of the 'D' in the company name.

THE FORUM ON EDUCATION ABROAD

YEARS ENDED JUNE 30, 2024 AND 2023

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Independent Accountant's Review Report

Board of Directors

The Forum on Education Abroad

We have reviewed the accompanying financial statements of The Forum on Education Abroad (Forum), which comprise the statement of financial position as of June 30, 2024, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Forum's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with the Statements of Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Forum and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on 2023 Financial Statements

The 2023 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated January 22, 2024. We have not performed any auditing procedures since that date.

Mahe Duessel

Harrisburg, Pennsylvania
February 7, 2025

THE FORUM ON EDUCATION ABROAD

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

	(Reviewed) 2024	(Audited) 2023
Assets		
<hr/>		
Current assets:		
Cash	\$ 492,913	\$ 315,458
Accounts receivable	16,180	39,863
Prepaid expenses	106,813	25,637
Total current assets	<u>615,906</u>	<u>380,958</u>
Noncurrent assets:		
Beneficial interest in net assets of a college	<u>2,969,869</u>	<u>2,863,899</u>
Total Assets	<u><u>\$ 3,585,775</u></u>	<u><u>\$ 3,244,857</u></u>
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Liabilities and Net Assets		
<hr/>		
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 175,229	\$ 159,075
Deferred revenue	555,565	452,740
Economic Injury Disaster Loan, current portion	13,019	12,666
Total current liabilities	<u>743,813</u>	<u>624,481</u>
Long-term liabilities:		
Economic Injury Disaster Loan	<u>473,190</u>	<u>484,896</u>
Total long-term liabilities	<u>473,190</u>	<u>484,896</u>
Total Liabilities	<u>1,217,003</u>	<u>1,109,377</u>
Net Assets:		
Without donor restrictions:		
Undesignated	(604,961)	(733,283)
Board-designated	2,831,906	2,728,628
Total without donor restrictions	2,226,945	1,995,345
With donor restrictions	<u>141,827</u>	<u>140,135</u>
Total Net Assets	<u>2,368,772</u>	<u>2,135,480</u>
Total Liabilities and Net Assets	<u><u>\$ 3,585,775</u></u>	<u><u>\$ 3,244,857</u></u>

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

THE FORUM ON EDUCATION ABROAD

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

	(Reviewed)		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenue and Other Support:			
Membership dues	\$ 769,542	\$ -	\$ 769,542
Conference income	1,265,587	-	1,265,587
Contributions of cash and other financial assets	23,617	-	23,617
Contributions of nonfinancial assets: services	17,036	-	17,036
Workshops and seminars	538,913	-	538,913
Other program income	3,950	-	3,950
Publication sales	3,587	-	3,587
Interest	194	-	194
Investment return, net	220,530	2,692	223,222
Net assets released from restrictions	1,000	(1,000)	-
Total Revenue and Other Support	2,843,956	1,692	2,845,648
Expenses:			
Program services:			
Programs and resources	509,013	-	509,013
Events and conferences	1,180,715	-	1,180,715
Training and education	395,959	-	395,959
Management and general	513,867	-	513,867
Fundraising	12,802	-	12,802
Total Expenses	2,612,356	-	2,612,356
Change in Net Assets	231,600	1,692	233,292
Net Assets:			
Beginning of year	1,995,345	140,135	2,135,480
End of year	\$ 2,226,945	\$ 141,827	\$ 2,368,772

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

THE FORUM ON EDUCATION ABROAD

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

	(Audited)		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support:			
Membership dues	\$ 614,796	\$ -	\$ 614,796
Conference income	1,075,577	-	1,075,577
Grants	50,607	-	50,607
Contributions of cash and other financial assets	22,167	-	22,167
Contributions of nonfinancial assets: services	16,783	-	16,783
Workshops and seminars	424,718	-	424,718
Other program income	7,306	-	7,306
Publication sales	9,190	-	9,190
Interest	1,467	-	1,467
Investment return, net	44,551	4,510	49,061
Net assets released from restrictions	23,761	(23,761)	-
	2,290,923	(19,251)	2,271,672
Expenses:			
Program services:			
Programs and resources	472,401	-	472,401
Events and conferences	1,257,220	-	1,257,220
Training and education	271,347	-	271,347
Management and general	499,878	-	499,878
Fundraising	12,355	-	12,355
	2,513,201	-	2,513,201
Change in Net Assets	(222,278)	(19,251)	(241,529)
Net Assets:			
Beginning of year	2,217,623	159,386	2,377,009
End of year	\$ 1,995,345	\$ 140,135	\$ 2,135,480

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

THE FORUM ON EDUCATION ABROAD

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(Reviewed)

	Program Services			Total Program Services	Management and General	Fundraising	Total
	Programs and Resources	Events and Conferences	Training and Education				
Expenses:							
Salaries	\$ 252,944	\$ 331,444	\$ 122,111	\$ 706,499	\$ 157,000	\$ 8,722	\$ 872,221
Benefits	89,997	117,927	43,447	251,371	55,859	3,103	310,333
Payroll taxes	18,456	24,183	8,909	51,548	11,455	636	63,639
Conference event expense	-	609,358	-	609,358	-	-	609,358
Office supplies	677	889	327	1,893	443	-	2,336
Legal and professional fees	72,193	-	-	72,193	108,289	-	180,482
Postage and delivery	389	508	188	1,085	255	-	1,340
Workshops and seminars	-	-	108,853	108,853	-	-	108,853
Bank services charges	-	-	-	-	66,557	-	66,557
Credit card charges	-	-	-	-	99	-	99
Other program expenses	-	-	74,668	74,668	-	-	74,668
Professional development	-	-	-	-	16,954	-	16,954
Contributed services	3,407	1,362	1,193	5,962	10,733	341	17,036
Advertising	42,537	57,121	21,875	121,533	-	-	121,533
Auto and travel expenses	2,720	3,653	1,399	7,772	-	-	7,772
Meals and entertainment	-	-	-	-	9,191	-	9,191
Information technology	-	-	-	-	57,480	-	57,480
Dues and subscriptions	7,099	9,533	3,650	20,282	-	-	20,282
Printing and reproduction	11,478	15,413	5,903	32,794	-	-	32,794
Meeting expenses	7,116	9,324	3,436	19,876	4,662	-	24,538
Interest expense	-	-	-	-	14,890	-	14,890
Total expenses	\$ 509,013	\$ 1,180,715	\$ 395,959	\$ 2,085,687	\$ 513,867	\$ 12,802	\$ 2,612,356

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

THE FORUM ON EDUCATION ABROAD

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2023

(Audited)

	Program Services			Total Program Services	Management and General	Fundraising	Total
	Programs and Resources	Events and Conferences	Training and Education				
Expenses:							
Salaries	\$ 266,042	\$ 348,606	\$ 128,434	\$ 743,082	\$ 165,129	\$ 9,174	\$ 917,385
Benefits	64,649	84,713	31,210	180,572	40,127	2,229	222,928
Payroll taxes	17,878	23,426	8,631	49,935	11,096	616	61,647
Conference event expense	-	730,814	-	730,814	-	-	730,814
Office supplies	678	890	327	1,895	444	-	2,339
Legal and professional fees	69,496	-	-	69,496	104,243	-	173,739
Postage and delivery	499	653	241	1,393	327	-	1,720
Workshops and seminars	-	-	39,514	39,514	-	-	39,514
Bank services charges	-	-	-	-	69,679	-	69,679
Credit card charges	-	-	-	-	99	-	99
Other program expenses	-	-	36,302	36,302	-	-	36,302
Professional development	-	-	-	-	30,277	-	30,277
Contributed services	3,357	1,342	1,175	5,874	10,573	336	16,783
Advertising	37,658	50,570	19,367	107,595	-	-	107,595
Auto and travel expenses	1,941	2,607	998	5,546	-	-	5,546
Meals and entertainment	-	-	-	-	12,533	-	12,533
Information technology	-	-	-	-	41,372	-	41,372
Dues and subscriptions	2,799	3,759	1,440	7,998	-	-	7,998
Printing and reproduction	4,238	5,691	2,179	12,108	-	-	12,108
Meeting expenses	3,166	4,149	1,529	8,844	2,074	-	10,918
Interest expense	-	-	-	-	11,905	-	11,905
Total expenses	<u>\$ 472,401</u>	<u>\$ 1,257,220</u>	<u>\$ 271,347</u>	<u>\$ 2,000,968</u>	<u>\$ 499,878</u>	<u>\$ 12,355</u>	<u>\$ 2,513,201</u>

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

THE FORUM ON EDUCATION ABROAD

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2024 AND 2023

	<u>(Reviewed)</u> 2024	<u>(Audited)</u> 2023
Cash Flows From Operating Activities:		
Change in net assets	\$ 233,292	\$ (241,529)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized (gain) loss on investments	(108,309)	50,874
(Increase) decrease in assets:		
Accounts receivable	23,683	(36,274)
Prepaid expenses	(81,176)	(2,166)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	16,154	(229,474)
Deferred revenue	102,825	91,535
Net cash provided by (used in) operating activities	<u>186,469</u>	<u>(367,034)</u>
Cash Flows From Investing Activities:		
Proceeds from the sale of investments	135,979	-
Purchase of investments	<u>(133,640)</u>	<u>(99,935)</u>
Net cash provided by (used in) investing activities	<u>2,339</u>	<u>(99,935)</u>
Cash Flows From Financing Activities:		
Payments on Economic Injury Disaster Loan	<u>(11,353)</u>	<u>(2,338)</u>
Net cash provided by (used in) financing activities	<u>(11,353)</u>	<u>(2,338)</u>
Net Increase (Decrease) in Cash	<u>177,455</u>	<u>(469,307)</u>
Cash:		
Beginning of year	<u>315,458</u>	<u>784,765</u>
End of year	<u>\$ 492,913</u>	<u>\$ 315,458</u>

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

THE FORUM ON EDUCATION ABROAD

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

1. Organization

The Forum on Education Abroad (Forum) is the higher education organization for education abroad. A 501(c)(3) non-profit organization, the Forum is recognized by the U.S. Department of Justice and the Federal Trade Commission as the Standards Development Organization for the field of education abroad. The Forum's *Standards of Good Practice* are recognized as the definitive means by which the quality of education abroad programs may be judged. The Forum's over 800 institutional members include U.S. colleges and universities, overseas institutions, consortia, agencies, provider organizations and foundations. The Forum focuses on developing and implementing standards of good practice, encouraging and supporting research initiatives, and offering educational programs and resources to its members. Its mission is to help to improve education abroad programs to benefit the students that participate in them. The Forum is achieving this goal by establishing standards of good practice and quality assurance programs, improving education abroad curricula and promoting data collection and outcomes assessment, all to advocate for high quality education abroad programs.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Forum prepares its financial statements on the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned and expenses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates, and such difference may be material.

Cash

Cash consists of funds in checking and savings accounts.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

Accounts Receivable

Accounts receivables are carried at original invoice amount, less an estimate made for doubtful accounts based on a review of all outstanding receivables. Management determines the allowance for credit losses by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, current economic conditions, as well as reasonable and supportable forecasts. Management has determined that all amounts receivable at June 30, 2024 and 2023 are collectible, and therefore, no allowance for credit losses has been recorded.

Prepaid Expenses

Forum records expenses when incurred. Amounts paid in advance of their use or consumption are recorded as prepaid expenses.

Promises to Give

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-free interest rates applicable to the years in which the promises are received. Amortization of the discounts are computed using the interest method and is included in contribution revenue. Conditional promises to give are not recorded until conditions are substantially met. At June 30, 2024 and 2023, there are no promises to give.

Investments

Investments are reported at fair value with gains and losses included in the Statement of Activities. Valuation techniques and inputs are used to develop fair value measurements are based on a fair value hierarchy.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

Level 1 — Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2 — Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities includes investments for which quoted prices are available, but traded less frequently, and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3 — Securities that have little to no pricing observability as of the report date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation. Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all.

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 credit data, liquidity statistics, and other factors. A financial instrument'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 Forum. The Forum considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Forum's perceived risk of that instrument.

Investments with values based on quoted market prices in active markets are classified within Level 1. The Forum has no Level 1 investments.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations, or alternative pricing sources supported by observable inputs are classified within Level 2. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on

THE FORUM ON EDUCATION ABROAD

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

available market information. Level 2 instruments include the beneficial interest in net assets of a college.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. When observable prices are not available for these securities, the Forum uses one or more valuation techniques (e.g., the market approach, the income approach, or the cost approach) for which sufficient and reliable data is available. Within Level 3, the use of the market approach generally consists of using comparable market transactions, while the use of the income approach generally consists of the net present value of estimated future cash flows, adjusted as appropriate for liquidity, credit, market, and/or other risk factors. The Forum has no Level 3 investments.

The inputs used by the Forum in estimating the value of Level 2 investments may include the original transaction price, recent transactions in the same or similar instruments, completed or pending third-party transactions in the underlying investment or comparable issuers, subsequent rounds of financing, recapitalizations, and other transactions across the capital structure, offerings in the equity or debt capital markets, and changes in financial ratios or cash flows. Level 2 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Forum in the absence of market information. The fair value measurement of Level 2 investments does not include transaction costs that may have been capitalized as part of the security's cost basis. Assumptions used by the Forum due to the lack of observable inputs may significantly impact the resulting fair value and, therefore, the Forum's results of operations.

The methods described previously may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Forum believes its reliance on these valuation methods is 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.

Deferred Revenue

Deferred revenue consists primarily of membership dues paid prior to fiscal year-end for the subsequent fiscal year, as well as upcoming conference sponsorships and registrations for events occurring in the subsequent fiscal year. Membership dues, conference income, and workshop and seminar registration fees collected in advance are presented as deferred revenue in the statements of financial position.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

Net Assets

Financial statement presentation follows the Not-for-Profit Entities topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), which requires the Forum to report information regarding its financial position and activities according to two classes of net assets: net assets with and without donor restrictions. A description of the two net asset categories follows:

Without donor restrictions – Net assets not subject to donor-imposed stipulations. They may be used for any purpose of the Forum.

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

Revenue and other support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the revenue is recognized. All other donor-restricted revenue is reported as an increase in net assets with donor restrictions.

Revenue Recognition

Membership Dues – The Forum considers membership dues to be exchange transactions. Memberships are assessed on an annual basis, which aligns with the Forum’s fiscal year, and includes benefits such as discounted registration for conferences, research tools, networking, and access to other resources. The Forum recognizes the membership dues ratably over the membership period. The membership fees revenue received for future periods has been recorded as deferred revenue. Deferred revenue related to membership dues was \$453,260 and \$423,792 for the years ended June 30, 2024 and 2023, respectively.

Conferences, Workshops, and Seminar Fees – The Forum recognizes revenue from conferences, workshops, and seminars, which consists of exhibit income, sponsorships, and registration fee income, when the event occurs. The fees revenue received for future conferences, workshops, and seminars has been recorded as deferred revenue. Deferred revenue related to conferences, workshops, and seminars was \$102,305 and \$28,948 for the years ended June 30, 2024 and 2023, respectively.

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YEARS ENDED JUNE 30, 2024 AND 2023

Other Program Income – Other program income consists of revenue from hosting other virtual events on behalf of institutions. The Forum recognizes revenue from these events when the events occur. Revenue received for future hosting opportunities has been recorded as deferred revenue. There was no deferred revenue recorded associated with the other program income for the years ended June 30, 2024 and 2023.

Contributions of Nonfinancial Assets

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received.

These contributions are recorded as revenue at their estimated fair value at the date of donation. The Forum reports these contributions as without donor restrictions, unless explicit donor stipulations specify how these contributions must be used.

Functional Expenses

All expenses related to a specific function are charged to that function. Expenses related to more than one function are allocated based on estimated employee time or estimated use of resources.

Income Taxes

The Forum has received exemption from income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code. On such basis, the Forum will not incur any liability for federal income taxes, except for possible income taxes on unrelated business income. The Forum annually files a Form 990. The Forum's tax returns are subject to review and examination by federal and state local authorities for three years.

Management has assessed the Forum's exposure to income taxes at the entity level as a result of uncertain tax positions taken in current and previously filed tax returns. Examples of tax positions taken at the entity level include the continuing validity of its exempt organization status, potential filing requirement for unrelated business income and other tax positions that could result in income tax liabilities to the Forum upon examination by taxing authorities. Presently, management believes that it is more likely than not its tax position will be sustained upon examination, including any appeals and litigation, such that the Forum has no exposure to income tax liabilities from uncertain tax positions. The

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YEARS ENDED JUNE 30, 2024 AND 2023

Forum is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

Subsequent Events

Subsequent events have been evaluated for potential recognition or disclosure through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

3. Concentration of Credit Risk

The Forum's cash balances with financial institutions, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limits. At June 30, 2024 and 2023 \$0 and \$22,617 respectively, of the Forum's cash balances are uninsured. The Forum has not experienced any losses and believes it has limited exposure to significant credit risk. Management regularly monitors the financial institutions, along with its cash balances, in an effort to keep potential risk to a minimum.

4. Accounts Receivable

Accounts receivable consist of the following:

	<u>Conferences/Workshops/ Memberships</u>
Accounts receivable, June 30, 2022	\$ 3,589
Cash received that was included in accounts receivable at the beginning of the year	(3,589)
Increase in accounts receivable	<u>39,863</u>
Accounts receivable, June 30, 2023	39,863
Cash received that was included in accounts receivable at the beginning of the year	(39,863)
Increase in accounts receivable	<u>16,180</u>
Accounts receivable, June 30, 2024	<u><u>\$ 16,180</u></u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

5. Beneficial Interest in Net Assets of a College

The Forum's investments are held by the Dickinson College Endowment Fund. Dickinson College administers the Forum's assets for investment purposes and performs administrative tasks. The fair value of the Forum's beneficial interest in net assets of a college is determined based on the fair value of the assets held by the Dickinson College Endowment Fund. Dickinson College's audited financial statements report the underlying investments.

As of June 30, the fair value of the Forum's Level 2 investments consist of the following:

	<u>2024</u>	<u>2023</u>
Net assets without donor restrictions:		
Board-designated	\$ 2,831,906	\$ 2,728,628
Net assets with donor restrictions:		
The AIFS Foundation Education Abroad Special Collection	<u>137,963</u>	<u>135,271</u>
	<u>\$ 2,969,869</u>	<u>\$ 2,863,899</u>

The following is a rollforward of the investment activity during the years ended June 30:

	<u>2024</u>	<u>2023</u>
Beginning of year	\$ 2,863,899	\$ 2,814,838
Investment income	133,740	118,234
Unrealized gain (loss)	108,309	(50,874)
Investment management fee	(20,397)	(18,299)
Appropriation of endowment assets for expenses	<u>(115,582)</u>	<u>-</u>
End of year	<u>\$ 2,969,969</u>	<u>\$ 2,863,899</u>

Interpretation of Relevant Law

FASB Staff Position No. 117-1, Endowments of Not-for-Profit Organizations: Net Asset Classifications of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for all Endowment Funds, primarily provides guidance on accounting for donor restricted endowment funds subject to UPMIFA. The state of Pennsylvania has not adopted UPMIFA. Nonprofit corporations in Pennsylvania follow Act 141. Under Act 141, a nonprofit corporation can elect to adopt and follow a "total return" investment policy, i.e., a policy to seek the best total return on the

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principal whether from capital appreciation, earnings, or both. Pennsylvania law permits the Board of Directors to make an election to annually appropriate for expenditure a selected percentage between 2% and 7% of the fair value of the assets related to donor-restricted endowment funds averaged over a period of three or more preceding years, provided the Board of Directors has determined that such a percentage is consistent with the long-term preservation of the real value of such assets.

Return Objective and Risk Parameters

The Forum has adopted investment policies that attempt to provide a predictable stream of funding to programs supported by its beneficial interest in net assets of a college, while seeking to maintain the purchasing power of the assets. Under this policy, the assets are invested in a manner that is intended to produce results that exceed the spending rate, plus inflation, while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Forum relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The investments consist of a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

An annual distribution can be made from the beneficial interest in net assets of a college in accordance with the Dickinson College Endowment Fund spending policy. During the years ended June 30, 2024 and 2023, no amount was appropriated for spending.

At any time, the Forum may withdraw a portion of or the entire amount of the beneficial interest in net assets of a college. The Forum President or Chair of the Board of Directors may authorize a withdrawal. The amount withdrawn will be deposited into the Forum's operating account. Regardless of when such withdrawal occurs, the fair value will be calculated as of the end of the previous month.

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6. Deferred Revenue

The following table provides information about significant changes in the deferred revenue for the years ended June 30, 2024 and 2023:

	Membership Dues	Conferences, Workshops, and Seminars	Total
Deferred revenue, June 30, 2022	\$ 278,306	\$ 82,899	\$ 361,205
Revenue recognized that was included in deferred revenue at the beginning of the year	(278,306)	(82,899)	(361,205)
Increase in deferred revenue due to cash received	<u>423,792</u>	<u>28,948</u>	<u>452,740</u>
Deferred revenue, June 30, 2023	423,792	28,948	452,740
Revenue recognized that was included in deferred revenue at the beginning of the year	(423,792)	(28,948)	(452,740)
Increase in deferred revenue due to cash received	<u>453,260</u>	<u>102,305</u>	<u>555,565</u>
Deferred revenue, June 30, 2024	<u>\$ 453,260</u>	<u>\$ 102,305</u>	<u>\$ 555,565</u>

7. Long-Term Debt

In May 2020, the Forum received an Economic Injury Disaster Loan (Loan) for \$150,000 from the U.S. Small Business Administration (SBA). In August 2021, the Forum received a modification from the SBA to increase the Loan to \$500,000. The Loan bears interest at a fixed rate of 2.75%, and monthly principal and interest payments of \$2,187 are required from May 2022 through May 2050. Each payment will be applied first to interest accrued to the date of receipt of each payment, and the balance, if any, will be applied to principal. The purpose of the Loan is to alleviate economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter.

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The following is a schedule of future maturities of long-term debt:

	<u>Principal</u>	<u>Interest</u>
2025	\$ 13,019	\$ 13,225
2026	13,382	12,862
2027	13,754	12,490
2028	14,137	12,107
2029	14,531	11,713
2030-2034	78,957	52,264
2035-2039	90,581	40,639
2040-2044	103,916	27,305
2045-2049	119,213	12,007
2050	24,719	365
	<u>\$ 486,209</u>	<u>\$ 194,977</u>

8. Net Assets

The Forum has the following net assets with donor restrictions as of June 30:

	<u>2024</u>	<u>2023</u>
The AIFS Foundation Education Abroad Special Collection	\$ 137,963	\$ 135,271
Ron Koehn Conference Grant Award	3,864	4,864
	<u>\$ 141,827</u>	<u>\$ 140,135</u>

The AIFS Foundation Education Abroad Special Collection fund, which is invested in the Dickinson College Endowment Fund, was established to obtain, develop, and maintain historical artifacts related to the education abroad field of study. Earnings from the fund are restricted for the purposes set forth above. Donors have made contributions to the Forum to fund the Ron Koehn Conference Grant Award (Award). The Award will be given to faculty members or education abroad colleagues who have been especially effective in contributing to innovations in education abroad program design. Award winners receive a stipend that will help to underwrite the costs of their attendance at the Forum's annual conference.

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YEARS ENDED JUNE 30, 2024 AND 2023

The Forum has the following board-designated net assets without donor restrictions as of June 30:

	<u>2024</u>	<u>2023</u>
Beneficial interest in the endowment fund of a college	<u>\$ 2,831,906</u>	<u>\$ 2,718,628</u>

9. Employee Retention Tax Credit

The Forum qualified for the Employee Retention Credit under the Coronavirus Aid, Relief, and Economic Security Act. This credit encourages businesses to keep employees on their payroll. The refundable tax credit is 50% of up to \$10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19. During the year ended June 30, 2024, the Forum submitted \$0 to be reimbursed under this program which was included in Grant Revenue in the accompanying Statement of Activities. During the year ended June 30, 2023, the Forum submitted \$50,607 to be reimbursed under this program which was included in Grant Revenue in the accompanying Statement of Activities.

10. Contributions of Nonfinancial Assets

Dickinson College provides the Forum with contributed services. The value of the services included in the financial statements as revenue and expense for the years ended June 30, 2024 and 2023 was \$17,036 and \$16,783, respectively.

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11. Liquidity and Availability

The Forum manages its liquid resources by focusing on program efforts to ensure there are adequate membership dues and conference and program income collected to cover expenses.

At June 30, 2024, the Forum had \$509,093 of financial assets expected to be available within one year to meet cash needs for general expenses, consisting of cash of \$492,913 and accounts receivable of \$16,180. At June 30, 2023, the Forum had \$355,321 of financial assets expected to be available within one year to meet cash needs for general expenses, consisting of cash of \$315,458 and accounts receivable of \$39,863.

The Forum's Board of Directors has authorized the President & CEO of the Forum to utilize up to 5% of the book value of the Board Designated Endowment annually to support operations, strategic initiatives, or other expenses, at her discretion.