PARTNERSHIP FOR
LOS ANGELES SCHOOLS

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

PARTNERSHIP FOR LOS ANGELES SCHOOLS

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Partnership for Los Angeles Schools

Opinion
We have audited the financial statements of Partnership for Los Angeles Schools (the Partnership), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 the Partnership's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

To the Board of Directors
Partnership for Los Angeles Schools

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership'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.

Report on Summarized Comparative Information

We have previously audited the Partnership's June 30, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 13, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Green Hasson & Janks LLP

December 12, 2023
Los Angeles, California

PARTNERSHIP FOR LOS ANGELES SCHOOLS

STATEMENT OF FINANCIAL POSITION
June 30, 2023
With Summarized Totals at June 30, 2022

ASSETS

	2023	2022
Cash and Cash Equivalents	$ 4,096,984	$ 19,447,463
Investments	29,242,950	15,204,063
Accounts Receivable (Net)	576,437	609,437
Pledges Receivable (Net)	22,772,118	27,830,453
Prepaid Expenses and Other Assets	254,625	109,702
Right-of-Use Asset (Net)	129,217	517,259
TOTAL ASSETS	$ 57,072,331	$ 63,718,377

LIABILITIES AND NET ASSETS

	2023	2022
LIABILITIES:		
Accounts Payable and Accrued Liabilities	$ 949,018	$ 813,503
Lease Liability	132,461	525,223
TOTAL LIABILITIES	1,081,479	1,338,726
NET ASSETS:		
Without Donor Restrictions	32,473,850	32,111,488
With Donor Restrictions	23,517,002	30,268,163
TOTAL NET ASSETS	55,990,852	62,379,651
TOTAL LIABILITIES AND NET ASSETS	$ 57,072,331	$ 63,718,377

The Accompanying Notes are an Integral Part of These Financial Statements

PARTNERSHIP FOR LOS ANGELES SCHOOLS

STATEMENT OF ACTIVITIES
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUES AND SUPPORT:				
Grants and Contributions	$ 6,189,464	$ 7,042,154	$ 13,231,618	$ 28,076,889
Other Revenue	77,700	-	77,700	77,700
Investment Return (Net)	1,120,576	-	1,120,576	32,900
Service Fee Income	2,255,315	-	2,255,315	1,655,221
Paycheck Protection Program Loan Forgiveness	-	-	-	1,363,427
Net Assets Released from Donor Restrictions	13,793,315	(13,793,315)	-	-
TOTAL REVENUES AND SUPPORT	23,436,370	(6,751,161)	16,685,209	31,206,137
OPERATING EXPENSES:				
Program Services	19,312,345	-	19,312,345	16,059,855
Management and General	2,715,071	-	2,715,071	1,847,833
Fundraising	1,046,592	-	1,046,592	852,870
TOTAL EXPENSES	23,074,008	-	23,074,008	18,760,558
CHANGE IN NET ASSETS	362,362	(6,751,161)	(6,388,799)	12,445,579
Net Assets - Beginning of Year	32,111,488	30,268,163	62,379,651	49,934,072
NET ASSETS - END OF YEAR	$ 32,473,850	$ 23,517,002	$ 55,990,852	$ 62,379,651

The Accompanying Notes are an Integral Part of These Financial Statements

PARTNERSHIP FOR LOS ANGELES SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022

	2023						2022
	Program Services			Support Services			
	Revolutionize	Transform	Total Program Services	Management and General	Fundraising	Total Expenses	Total Expenses
Salaries	$ 1,955,948	$ 7,113,429	$ 9,069,377	$ 1,765,613	$ 695,577	$ 11,530,567	$ 8,544,491
Employee Benefits	312,621	994,363	1,306,984	281,209	111,672	1,699,865	2,117,936
Contract Personnel	29,710	877,839	907,549	1,106	467	909,122	951,766
Payroll Taxes	158,384	504,190	662,574	142,528	56,615	861,717	708,140
TOTAL PERSONNEL COSTS	2,456,663	9,489,821	11,946,484	2,190,456	864,331	15,001,271	12,322,333
Grants	3,021,547	73,717	3,095,264	-	10,750	3,106,014	2,293,229
Professional Fees	493,550	509,336	1,002,886	279,512	39,516	1,321,914	1,384,017
Food Expense	192,795	762,521	955,316	12,551	15,279	983,146	394,543
Professional Development	61,520	430,772	492,292	20,990	8,255	521,537	188,723
Occupancy	65,604	253,798	319,402	65,357	27,586	412,345	408,859
Student Activities	41,663	294,423	336,086	7,011	10,528	353,625	200,044
Travel	57,576	154,824	212,400	30,746	17,645	260,791	164,987
Miscellaneous	28,349	157,167	185,516	24,479	12,074	222,069	110,074
Technology and Software	16,490	118,724	135,214	51,503	21,733	208,450	170,996
Program Consultants	-	182,830	182,830	-	-	182,830	348,107
Student Supplies and Materials	57,854	105,431	163,285	-	5,216	168,501	384,235
Equipment	54,429	80,791	135,220	9,501	4,010	148,731	147,817
Telephone and Internet	47,316	44,838	92,154	11,098	4,660	107,912	186,643
Insurance	11,912	46,084	57,996	11,867	5,009	74,872	55,951
TOTAL 2023 FUNCTIONAL EXPENSES	$ 6,607,268	$ 12,705,077	$ 19,312,345	$ 2,715,071	$ 1,046,592	$ 23,074,008	
	29%	55%	84%	12%	4%	100%	
TOTAL 2022 FUNCTIONAL EXPENSES	$ 1,937,426	$ 14,122,429	$ 16,059,855	$ 1,847,833	$ 852,870		$ 18,760,558
	10%	76%	86%	10%	4%		100%

The Accompanying Notes are an Integral Part of These Financial Statements

PARTNERSHIP FOR LOS ANGELES SCHOOLS

STATEMENT OF CASH FLOWS
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ (6,388,799)	$ 12,445,579
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by (Used in) Operating Activities:		
Change in Present Value Discount on Pledges Receivable	(1,091,728)	(550,219)
Net Realized and Unrealized Gains on Investments	(1,118,637)	-
Amortization of Right-of-Use Asset	388,042	386,415
Forgiveness of Paycheck Protection Program Loan	-	(1,363,427)
(Increase) Decrease in:		
Accounts Receivable	33,000	(102,650)
Pledges Receivable	6,150,063	(7,825,738)
Prepaid Expenses and Other Assets	(144,923)	91,608
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	135,515	(65,207)
Lease Liability	(392,762)	(386,415)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(2,430,229)	2,629,946
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Investments	(28,124,313)	(14,951,593)
Sales of Investments	15,206,002	-
Interest Reinvested	(1,939)	(628)
NET CASH USED IN INVESTING ACTIVITIES	(12,920,250)	(14,952,221)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(15,350,479)	(12,322,275)
Cash and Cash Equivalents - Beginning of Year	19,447,463	31,769,738
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 4,096,984	$ 19,447,463

The Accompanying Notes are an Integral Part of These Financial Statements

NOTE 1 - ORGANIZATION

Partnership for Los Angeles Schools (the Partnership) is a California nonprofit public benefit corporation launched by former Los Angeles Mayor Antonio Villaraigosa to transform schools and revolutionize school systems to empower all students with a high-quality education. The Partnership is the largest alternative public school operator in Los Angeles. Beginning July 1, 2008, the Partnership began serving and supporting ten Los Angeles Unified School District (the District) schools, representing a combination of elementary, middle and high schools, under a Memorandum of Understanding (MOU) approved by the Board of Education in May 2008. The LAUSD School Board voted to extend the Partnership's MOU in October 2012, in June 2017, and most recently in November 2022, which allows the Partnership to operate through June 30, 2028. As of June 30, 2023, the Partnership served and supported 20 schools with approximately 14,000 students.

The Partnership's goals are to: 1) dramatically accelerate achievement for students in the District's highest poverty schools; and 2) remove barriers, pioneer new programs and scale success to benefit all District students. The Partnership seeks to become a model for collaboration, school reform and community advancement that can be replicated throughout Los Angeles, California and the nation. In order to accomplish these goals, the Partnership works in close collaboration with school stakeholders and the District, and focuses on embodying four core values in all its work: 1) courage - aim high, do what's right, and hold ourselves accountable; 2) creativity - seek creative and scalable solutions; 3) continuous improvement - relentlessly pursue excellence; and 4) collective action - lead together. The Partnership revolutionizes school systems by advocating for changes to policies and practices that increase the percentage of scholars in high-need LAUSD schools who are on track for college completion in service of career success. The Partnership transforms schools by investing in people and building sustainable systems to amplify the power of our school communities, closing resource gaps for our school communities, and serving as many scholars in our feeder patterns as possible. The Partnership models best nonprofit practices by building and modeling equitable, effective, and sustainable nonprofit systems.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) NET ASSETS

Net assets, revenues, 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-imposed restrictions. At June 30, 2023, the Board of Directors has designated, from net assets without donor restrictions, $13,000,000 for an operating reserve.

- **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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(c) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short-term, highly liquid investments with original maturities of three months or less at the time of purchase. The carrying value of cash and cash equivalents at June 30, 2023 approximates its fair value.

The Partnership maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Partnership has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on these accounts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) INVESTMENTS

Investments in equity and debt securities with readily determinable market values are reported at fair value. The fair value of investments is valued at the closing price on the last business day of the fiscal year. Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex-dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. The change in unrealized gains and losses is included in investment return in the statement of activities and represents the current year change in the difference between the cost and fair value of investments held at the end of the fiscal year.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Because of the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

(e) ACCOUNTS RECEIVABLE

Receivables are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, if any, represents their estimated net realizable value. The allowance for doubtful accounts is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past due receivable balances are written-off when internal collection efforts have been unsuccessful in collecting the amount due. At June 30, 2023, management evaluated the collectability of accounts receivable, which is primarily due from the District, and estimated an allowance of $44,900 for doubtful accounts.

(f) CONTRIBUTIONS AND PLEDGES RECEIVABLE

The Partnership recognizes grants and contributions, including endowment gifts and pledges, when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest are received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. There was a conditional promise to give in the amount of $2,500,000 at June 30, 2023. Discount rates ranging from 3% to 7% have been used to calculate the present value of pledges receivable due beyond one year. The Partnership evaluated the collectability of pledges receivable at June 30, 2023 and determined that no allowance for doubtful pledges receivable was needed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Partnership is a lessee in one operating lease for office space. The Partnership determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Partnership recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The implicit rate of the Partnership's lease, used for the present value discount calculation, is 1%.

The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Partnership has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Partnership is reasonably certain to exercise. The Partnership recognizes lease cost associated with short-term leases on a straight-line basis over the lease term.

(h) SERVICE FEE INCOME

The Partnership recognizes service fee income under its MOU with the District and other contracts with customers. Service fee income is recognized over time during the period of service delivery. Receivables related to service fee income at June 30, 2023 were $576,437 and there were no contract advances.

(i) INCOME TAXES

The Partnership is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

In accordance with the Financial Accounting Standards Board's (FASB) ASC Topic 740, *Uncertainty in Income Taxes*, the Partnership recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended June 30, 2023, the Partnership performed an evaluation of uncertain tax positions and did not note any matters that would require recognition in the financial statements or which might have an effect on its tax-exempt status.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS

The Partnership has adopted the fair value standard that clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Further, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. The fair value accounting standard establishes a three-tier hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

For cash and cash equivalents, accounts receivable, pledges receivable, accounts payable and accrued liabilities, the carrying amounts represent a reasonable estimate of fair values due to their short-term maturity. Investments are reflected at estimated fair value as described in Note 3.

(k) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the Partnership's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The Partnership uses full-time equivalents to allocate indirect costs.

(l) 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 reported amounts of assets, liabilities, revenues and expenses as of the date and for the period presented. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) NEW ACCOUNTING PRONOUNCEMENTS

In June 2016, FASB issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss impairment methodology previously used for certain financial instruments with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates in their measurement. The guidance has subsequently been amended through a series of targeted ASUs. For the Partnership, the ASU and the subsequent amendments will be effective for the year ending June 30, 2024, and are expected to be adopted using the modified-retrospective approach.

(n) COMPARATIVE TOTALS

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Partnership's financial statements for the year ended June 30, 2022 from which the summarized information was derived.

(o) SUBSEQUENT EVENTS

The Partnership has evaluated events and transactions occurring subsequent to the statement of financial position date of June 30, 2023 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through December 12, 2023, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.

NOTE 3 - INVESTMENTS

The following table presents information about the Partnership's assets that are measured at fair value on a recurring basis at June 30, 2023, and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

		Fair Value Measurements Using		
	Year Ended June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Bills	$ 29,242,950	$ -	$ 29,242,950	$ -
TOTAL INVESTMENTS	$ 29,242,950	$ -	$ 29,242,950	$ -

The fair value of investments with Level 2 inputs was obtained based on data points that are observable, such as quoted prices in active markets, interest rates and yield curves.

NOTE 4 - PLEDGES RECEIVABLE

Pledges receivable at June 30, 2023 are expected to be collected as follows:

Within One Year	$ 10,070,163
In Two to Five Years	14,725,900
Beyond Five Years	380,000
TOTAL	25,176,063
Less: Present Value Discount on Pledges Receivable	(2,403,945)
PLEDGES RECEIVABLE (NET)	$ 22,722,118

NOTE 5 - OPERATING LEASE

The Partnership leases office space under a non-cancellable operating lease which expires in October 2023. At June 30, 2023, the Partnership recognized $129,217, of right-of-use asset and $132,461 of related lease liability for the lease, using a discount rate of 1% and a remaining lease term of 4 months.

The maturity of the lease liability as of June 30, 2023 is as follows:

Future Minimum Lease Payments for the Years Ending June 30	
2024	$ 132,738
TOTAL LEASE PAYMENTS	132,738
Less: Imputed Interest	(277)
TOTAL LEASE LIABILITY	$ 132,461

Lease expense for the year ended June 30, 2023 was $388,476 and is included in occupancy in the statement of functional expenses.

NOTE 6 - NET ASSETS WITHOUT DONOR RESTRICTIONS

The Partnership's net assets without donor restrictions is comprised of the following at June 30, 2023:

Undesignated	$ 19,473,850
Board Designated Operating Reserve	13,000,000
TOTAL	$ 32,473,850

Board Designated Operating Reserve: The Board of Directors has designated $13,000,000 of net assets without donor restrictions as an operating reserve. The purpose of the operating reserve, which is managed in accordance with a Board-approved operating reserve policy, is to ensure the long term financial stability of the Partnership and position it to respond to varying economic conditions.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2023

Subject to the Passage of Time:	
Pledges Receivable	$ 13,750,000
Subject to Expenditure for Specified Purpose:	
Transform	4,409,985
Revolutionize	4,625,767
Systems Change	731,250
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	$ 23,517,002

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2023:

Expiration of Specified Time Period:	
Pledges Receivable	$ 4,667,590
Satisfaction of Purpose Restrictions:	
Transform	4,007,787
Revolutionize	4,764,188
Systems Change	243,750
Model	110,000
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	$ 13,793,315

NOTE 8 - RETIREMENT PLAN

The Partnership has established an Internal Revenue Code Section 403(b) type retirement plan (the Plan) for the benefit of all employees that work 20 hours or more per week. Under the terms of the Plan, all employees over the age of 18 are eligible to receive employer matching contributions. The Partnership matches 100% of participants' contributions up to 6% of the participant's total compensation. There is no waiting period to participate in the Plan. For employees hired prior to November 1, 2017, employer contributions vest at 25% after two years of service, 50% after three years of service, and 100% after four years of service. For employees hired on or after November 1, 2017, employer contributions vest at 20% after two years of service, 40% after three years of service, 60% after four years of service, and 100% after five years of service. During the year ended June 30, 2023, the Partnership made matching contributions of $552,786 to the Plan.

NOTE 9 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by the Partnership at June 30, 2023 and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the statement of financial position are summarized in the following table:

Financial Assets at June 30, 2023:	
Cash and Cash Equivalents	$ 4,096,984
Investments	29,242,950
Accounts Receivable (Net)	576,437
Pledges Receivable (Net)	22,772,118
TOTAL FINANCIAL ASSETS AT JUNE 30, 2023	56,688,489
Less: Amounts Not Available to Be Used within One Year, Due to:	
Board Designations:	
Board Designated Operating Reserve	(13,000,000)
Donor-Imposed Restrictions:	
Funds Held and Pledges Restricted	
Time	(13,750,000)
Purpose	(9,767,002)
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	$ 20,171,487

The Partnership regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of the Partnership's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Partnership has a Board designated operating reserve of $13,000,000 that can be drawn upon, with Board approval, to meet unanticipated liquidity needs.