

Financial Statements and Report of  
Independent Certified Public  
Accountants

**American Society for Technion-Israel Institute  
of Technology, Inc.**

For the year ended September 30, 2023, with  
summarized comparative information for the year  
ended September 30, 2022

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Board of Directors of  
American Society for Technion-Israel Institute of Technology, Inc.

**Opinion**

We have audited the financial statements of American Society for Technion-Israel Institute of Technology, Inc. (the "Society"), which comprise the statement of financial position as of September 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 Society as of September 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 Society 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 Society's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US 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 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 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.

*Report on 2022 summarized comparative information*

We have previously audited the Society's 2022 financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 9, 2023. In our opinion, the accompanying summarized comparative information as of and for the year ended September 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Grant Thornton LLP*

New York, New York  
March 15, 2024

**American Society for Technion-Israel Institute of Technology, Inc.**

**STATEMENT OF FINANCIAL POSITION**

**As of September 30, 2023, with summarized comparative totals as of September 30, 2022**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Cash	\$ 2,407,334	\$ 2,616,068
Investments - pooled (Note 3)	407,851,911	355,277,361
Investments - nonpooled (Note 4)	82,090,792	86,255,394
Contributions receivable, net (Note 7)	22,163,600	28,867,353
Beneficial interests in trusts (Note 8)	44,371,089	43,157,905
Other receivables	130,767	125,404
Cash surrender value of life insurance policies	2,142,860	2,126,555
Prepaid expenses and other assets	2,830,439	2,865,096
Loan receivable (Note 6)	33,356,829	34,436,652
Fixed assets, net (Note 9)	5,742,119	6,033,772
Total assets	\$ 603,087,740	\$ 561,761,560
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable, accrued expenses and other liabilities (Notes 8 and 13)	\$ 4,874,421	\$ 4,729,362
Loan payable (Note 11)	11,316,261	11,300,000
Transmissions payable	8,996,330	5,088,759
Annuity obligations (Note 8)	20,287,728	21,387,370
Total liabilities	45,474,740	42,505,491
<b>Commitments and contingencies (Note 14)</b>		
<b>Net assets</b>		
Without donor restrictions (Notes 2 and 15)	22,877,424	18,676,623
With donor restrictions (Notes 2 and 15)	534,735,576	500,579,446
Total net assets	557,613,000	519,256,069
Total liabilities and net assets	\$ 603,087,740	\$ 561,761,560

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

**American Society for Technion-Israel Institute of Technology, Inc.**

**STATEMENT OF ACTIVITIES**

**For the year ended September 30, 2023, with summarized  
comparative totals for the year ended September 30, 2022**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total 2023</b>	<b>Total 2022</b>
<b>Revenues, gains, losses, and other support</b>				
Contributions	\$ 3,291,980	\$ 42,663,466	\$ 45,955,446	\$ 65,995,329
Legacies and bequests	10,900,822	3,182,001	14,082,823	9,218,004
Total public support (Note 12)	14,192,802	45,845,467	60,038,269	75,213,333
Investment income (loss), net (Note 5)	10,198,628	51,365,415	61,564,043	(51,043,868)
Changes in value of split-interest agreements (Note 8)	3,651,097	2,160,315	5,811,412	(16,506,236)
Interest on loan receivable and other income	329,458	1,831,163	2,160,621	1,907,655
Net assets released from restrictions (Note 15)				
Satisfaction of program restrictions	64,729,818	(64,729,818)	-	-
Total revenues, gains, losses and other support	93,101,803	36,472,542	129,574,345	9,570,884
<b>Expenses</b>				
Program services				
Grants to Technion-Israel Institute of Technology and other beneficiaries	68,693,234	-	68,693,234	58,142,294
Education and other programs	2,891,008	-	2,891,008	1,866,361
Total program services	71,584,242	-	71,584,242	60,008,655
Supporting services				
Management and general	5,907,344	2,316,412	8,223,756	8,390,277
Fundraising	11,409,416	-	11,409,416	9,172,549
Total supporting services	17,316,760	2,316,412	19,633,172	17,562,826
Total expenses	88,901,002	2,316,412	91,217,414	77,571,481
<b>CHANGE IN NET ASSETS</b>	4,200,801	34,156,130	38,356,931	(68,000,597)
<b>Net assets, beginning of year</b>	18,676,623	500,579,446	519,256,069	587,256,666
<b>Net assets, end of year</b>	<u>\$ 22,877,424</u>	<u>\$ 534,735,576</u>	<u>\$ 557,613,000</u>	<u>\$ 519,256,069</u>

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

American Society for Technion-Israel Institute of Technology, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2023, with summarized comparative totals for the year ended September 30, 2022

	Grants	Education and Other Programs	Total	Management and General	Fundraising	Total	Total 2023	Total 2022
<b>Grants to Technion-Israel Institute of Technology and other beneficiaries</b>	\$ 68,693,234	\$ -	\$ 68,693,234	\$ -	\$ -	\$ -	\$ 68,693,234	\$ 58,142,294
<b>Personnel costs</b>								
Payroll	-	979,623	979,623	2,246,741	7,126,340	9,373,081	10,352,704	9,511,551
Employee benefits	-	267,265	267,265	489,986	1,469,960	1,959,946	2,227,211	2,092,470
Total personnel costs	-	1,246,888	1,246,888	2,736,727	8,596,300	11,333,027	12,579,915	11,604,021
<b>Other expenses</b>								
Occupancy (includes interest expense of \$516,992 and \$456,559 in fiscal 2023 and 2022)	-	15,823	15,823	482,195	780,287	1,262,482	1,278,305	1,234,276
Travel	-	-	-	48,456	501,442	549,898	549,898	247,246
Travel - Israeli speakers	-	182,891	182,891	-	-	-	182,891	120,365
Marketing	-	125,000	125,000	73,449	589,005	662,454	787,454	465,512
Communications - telephone and internet	-	-	-	38,304	71,953	110,257	110,257	113,272
Conference and meetings	-	-	-	-	247,070	247,070	247,070	97,383
Postage and shipping	-	5,165	5,165	17,107	81,022	98,129	103,294	105,102
Supplies (includes dues and subscriptions)	-	-	-	33,435	27,249	60,684	60,684	52,736
Equipment rental and maintenance	-	-	-	41,725	-	41,725	41,725	55,950
Information systems	-	-	-	450,081	-	450,081	450,081	449,279
Professional fees	-	-	-	1,081,618	310,589	1,392,207	1,392,207	1,112,749
Insurance	-	-	-	351,941	-	351,941	351,941	279,857
Campaign events	-	1,315,241	1,315,241	-	-	-	1,315,241	982,424
Bad debt expense	-	-	-	2,316,412	-	2,316,412	2,316,412	2,062,363
Other	-	-	-	333,889	25,794	359,683	359,683	47,730
Total personnel costs and other expenses before depreciation and amortization	-	2,891,008	2,891,008	8,005,339	11,230,711	19,236,050	22,127,058	19,030,265
<b>Depreciation and amortization</b>	-	-	-	218,417	178,705	397,122	397,122	398,922
Total personnel costs and other expenses	-	2,891,008	2,891,008	8,223,756	11,409,416	19,633,172	22,524,180	19,429,187
Total expenses	\$ 68,693,234	\$ 2,891,008	\$ 71,584,242	\$ 8,223,756	\$ 11,409,416	\$ 19,633,172	\$ 91,217,414	\$ 77,571,481

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

**American Society for Technion-Israel Institute of Technology, Inc.**

**STATEMENT OF CASH FLOWS**

**For the year ended September 30, 2023, with summarized  
comparative totals for the year ended September 30, 2022**

	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 38,356,931	\$ (68,000,597)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	397,122	398,922
Unrealized/realized (gain) loss on investments	(61,564,043)	58,254,557
Actuarial (gain) loss on annuity obligations	(3,759,195)	7,821,106
Contributions restricted for long-term investment purposes	(7,190,966)	(6,345,871)
Contributions restricted for annuity agreements	(329,975)	(602,793)
Proceeds from beneficial interest in remainder trusts	508,713	1,403,182
Change in value of beneficial interest in remainder trusts	(1,213,184)	7,666,781
Decrease (increase) in assets:		
Contributions receivable	6,703,753	2,983,336
Other receivables	(5,363)	10,292
Cash surrender value of life insurance policies	(16,305)	36,851
Prepaid expenses and other assets	34,657	346,543
Loan receivable	1,079,823	1,181,937
(Decrease) increase in liabilities:		
Accounts payable, accrued expenses and other liabilities	161,320	(97,181)
Transmissions payable	3,907,571	1,653,639
	<b>(22,929,141)</b>	<b>6,710,704</b>
<b>Cash flows from investing activities:</b>		
Fixed asset acquisitions	(105,469)	(57,520)
Purchase of investments	(186,843,222)	(72,869,099)
Proceeds from sale of investments	199,488,604	68,109,973
	<b>12,539,913</b>	<b>(4,816,646)</b>

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



**American Society for Technion-Israel Institute of Technology, Inc.**

**STATEMENT OF CASH FLOWS - CONTINUED**

**For the year ended September 30, 2023, with summarized  
comparative totals for the year ended September 30, 2022**

	<b>2023</b>	<b>2022</b>
<b>Cash flows from financing activities:</b>		
Proceeds from contributions for long-term investment purposes	\$ 7,190,966	\$ 6,345,871
Proceeds from contributions restricted for investment subject to annuity agreements	940,000	1,621,144
Payment of annuity obligations	(2,423,782)	(2,588,985)
Investment income subject to annuity agreements	4,473,310	(7,461,818)
Net cash provided by (used in) financing activities	10,180,494	(2,083,788)
<b>NET CHANGE IN CASH</b>	(208,734)	(189,730)
<b>Cash, beginning of year</b>	2,616,068	2,805,798
<b>Cash, end of year</b>	\$ 2,407,334	\$ 2,616,068
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the year for interest	\$ 519,992	\$ 456,559
<b>Noncash items:</b>		
Interest on loan receivable	\$ 1,374,273	\$ 1,420,517
Grants to Technion-Israel Institute of Technology, Inc.	\$ (1,374,273)	\$ (1,420,517)

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

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2023 and 2022**

**NOTE 1 - NATURE OF ORGANIZATION**

The American Society for Technion-Israel Institute of Technology (the "Society") supports visionary education and world-changing impact through the Technion-Israel Institute of Technology ("Technion"). The purpose as stated in the bylaws of the Society is to promote, encourage, aid and advance technological, scientific and industrial higher and secondary education, research and training in Israel and elsewhere. Its goal is to enable the Technion to be among the world's leading institutions and improve the well-being of Israel and all humanity through leadership in science and technology. The Society also provides other assistance to Technion.

The Society's primary source of revenue is contributions. The Society is based in New York City and operates a network of regional offices and chapters throughout the United States of America (U.S.).

The Society is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code"). The Society is subject to unrelated business income taxes as a result of certain investments in limited partnerships.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

The financial statements are prepared on the accrual basis of accounting, in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") applicable to not-for-profit entities.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Investments***

Investments are recorded at fair value based upon market value. Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. As required by U.S. GAAP for fair value measurement, the Society uses a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

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:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities. 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.

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable. 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 observable pricing. 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.

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 Society. The Society 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 Society's perceived risk of that instrument.

Investments in marketable securities are stated at fair value based on quoted market prices. Refer to Notes 3 and 4 for marketable securities classified within the fair value hierarchy. State of Israel Bonds are generally stated at cost, which approximates fair value.

Alternative investments include investments in limited partnership funds (hedge funds and private equity of nonregistered funds). Alternative investment interests are stated at fair value based on financial statements and other information received from the funds. Fair value is the estimated net realizable value of holdings priced at quoted market value (where market quotations are available), historical cost or other estimates including appraisals. The Society believes that the stated value of its alternative investments was a reasonable estimate of their fair value as of September 30, 2023. However, alternative investments are not readily marketable and many alternative investments have underlying investments which do not have quoted market values. The estimated value is subject to uncertainty and could differ had a ready market existed. Such differences could be material to the valuation of some of the Society's alternative investments. The amount of gain or loss associated with these investments is reflected in the accompanying financial statements. Furthermore, these investments are measured using a net asset value ("NAV") and are exempted from categorization within the fair value hierarchy and related disclosures. Instead, the Society separately discloses the information required for assets measured using the NAV practical expedient and discloses a reconciling item between the total amount of investments categorized within the fair value hierarchy and total investments presented on the accompanying financial statements. See Notes 3 and 4 for the related disclosures.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Society's financial statements.

***Split-Interest Agreements***

The Society's investments include funds subject to split-interest agreements. Contribution revenues for split-interest agreements are recognized at the date the agreement is established, net of the liability recorded for the present value of the future payments to be made to the respective donors and/or other beneficiaries.

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

The present values of payments to beneficiaries of split-interest agreements are calculated using discount rates of 0.891% to 6%. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the respective net asset class in the statement of activities.

***Allowance for Doubtful Accounts***

The Society determines whether an allowance for doubtful accounts should be provided for contributions receivable, other receivables, and loan receivable. Such estimates are based on management's assessment of the aged basis of its contributions and other sources, current economic conditions, subsequent receipts and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. Interest is not charged on outstanding receivables.

***Fixed Assets***

Fixed assets are reported at cost and depreciated on the straight-line method over their estimated useful lives. The Society's policy is to capitalize items with a cost of \$1,500 or greater, and a useful life of greater than one year.

***Transmissions Payable and Grants***

Grants to Technion-Israel Institute of Technology and other beneficiary organizations are made pursuant to authorization of the Board of Directors of the Society.

***Net Assets***

The Society classifies its net assets in the following categories:

**Net Assets Without Donor Restrictions**

Represent net assets whose use by the Society has not been restricted by donors or time. Net assets without donor restrictions are funds that are fully available, at the discretion of the Society's Board of Directors and management, to be utilized in any of the Society's programs or supporting services. Net assets without donor restrictions may be designated by the Society's Board of Directors for certain specific purposes or may be limited by legal requirements or contractual agreements with outside parties.

In the fiscal year ended September 30, 2022, the Board of Directors of the Society approved to designate \$2,000,000 of its net assets without donor restrictions to create a quasi-endowment fund, which will be utilized for purposes to be determined and approved by the Board of Directors (see Note 15). There have been no further additions to the quasi-endowment fund in this fiscal year ended September 30, 2023.

**Net Assets With Donor Restrictions**

Net assets with donor restrictions are those whose use by the Society has been limited by donors to a specific time period or purpose. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions.

Net assets with donor restriction also include gifts where donors stipulated that the Society maintain the corpus in perpetuity but allow for the expenditure of net investment income and gains earned on the corpus for either specified or unspecified purpose.

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

***Contributions***

In accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-605, the Society evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Society applies guidance under FASB ASC 606. If the transfer of assets is determined to be a contribution, the Society evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Society is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor’s obligation to transfer assets.

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. Gifts received with donor stipulations that limit the use of the donated assets are reported as net assets with donor restrictions.

Unconditional promises to give are recorded as receivables and revenues and are recognized when the promises are made at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value which is measured at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates. Conditional promises to give are not included as support until the conditions are substantially met.

***Investment Income***

Investment income is reflected net of investment management fees and unrelated business income tax.

***Functional Allocation of Expenses***

The costs of providing the Society’s services have been summarized on a functional basis. The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported within that functional area. Indirect expenses that benefit multiple functional areas have been allocated by the Society based upon the number of employees and related personnel costs.

***Income Taxes***

The Society follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This standard provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Society is exempt from federal income tax under Section 501(c)(3) of the Code, though it is 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 its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has 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 financial statements.

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

**Cash**

The Society classifies deposits in banks and money market accounts with original maturities of three months or less as cash equivalents, excluding cash and cash equivalents available for long-term investment, which are included within investments in the accompanying statements of financial position.

**Summarized Comparative Information**

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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Society's financial statements as of and for the year ended September 30, 2022, from which the summarized information was derived.

**NOTE 3 - POOLED INVESTMENTS**

The following tables set forth by level, within the fair value hierarchy, the pooled investments at fair value at September 30, 2023 and 2022. See Note 2 for a full description of the various levels.

	2023	
	Level 1	Total
Money market mutual funds	\$ 16,587,949	\$ 16,587,949
Exchange traded and index funds	162,164,018	162,164,018
Mutual funds	21,061,883	21,061,883
Total pooled investments, at fair value	\$ 199,813,850	199,813,850
Cash on deposit		333,483
Time deposits		15,550,806
Alternative investments measured at NAV		192,153,772
Total pooled investments		\$ 407,851,911
	2022	
	Level 1	Total
Money market mutual funds	\$ 5,308,565	\$ 5,308,565
Stocks	27,936,366	27,936,366
Exchange traded and index funds	132,038,842	132,038,842
Mutual funds	20,768,465	20,768,465
Total pooled investments, at fair value	\$ 186,052,238	186,052,238
Cash on deposit		189,342
Time deposits		15,550,806
Alternative investments measured at NAV		153,484,975
Total pooled investments		\$ 355,277,361

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

The following tables present the alternative investments as of September 30, 2023 and 2022:

	2023			
	Fair Value	Number of Funds	Redemption Frequency	Redemption Notice Period
Alternative investments:				
Global public equity <sup>(a)</sup>	\$ 64,504,641	4	Monthly/Quarterly	6-10 days
Domestic equity <sup>(b)</sup>	11,413,138	1	Quarterly	45 days
Flexible capital <sup>(c)</sup>	70,182,703	5	Quarterly/Semi-Annual/Annual	45-90 days
Emerging market equity <sup>(d)</sup>	4,604,149	1	Monthly	7 days
Private equity and venture capital partnerships <sup>(e)</sup>	41,449,141	22	Illiquid	N/A
	<u>\$ 192,153,772</u>			
	2022			
	Fair Value	Number of Funds	Redemption Frequency	Redemption Notice Period
Alternative investments:				
Global public equity <sup>(a)</sup>	\$ 50,412,608	4	Monthly/Quarterly	6-10 days
Flexible capital <sup>(c)</sup>	59,188,534	5	Quarterly/Semi-Annual/Annual	45-90 days
Emerging market equity <sup>(d)</sup>	3,825,483	1	Monthly	7 days
Private equity and venture capital partnerships <sup>(e)</sup>	40,058,350	19	Illiquid	N/A
	<u>\$ 153,484,975</u>			

(a) Global public equity: Investments in globally diversified portfolio of long equity and equity related positions in the UK, Europe, Asia, and emerging markets that seek to outperform the MSCI EAFE Index.

(b) Domestic equity: Investments in a relatively concentrated portfolio of long equity and equity related positions predominantly located within the U.S. The strategy focuses on the stocks of small and mid-sized companies, by market capitalization, and seeks to outperform the Russell 2000 Index over time. The investment is structured as a commingled fund and offers monthly dealing. The underlying positions within the fund typically trade on public exchanges and can be valued on a daily basis; the manager publishes statements with the calculated NAV monthly.

(c) Flexible capital: Investments in multi-strategy hedge funds that invest in equities, fixed income, credit opportunities, special situations, merger arbitrage, etc., where value can be realized through a number of methods including restructuring and price corrections. Included in this strategy are: 1) an investment in a hedge fund that allows for quarterly redemptions with 90 days' notice and a maximum redeemable amount equivalent to 25% of the investment value; and 2) an investment in a fund that allows for semi-annual redemptions with 60 days' notice and a maximum redeemable amount equivalent to 50% of the investment value. The fair value has been estimated using the NAV per share of the investments as reported by the fund managers.

(d) Emerging market equity: Investment in an international equity manager that invests in both developed and emerging market equities. The fair value has been estimated using the NAV per share of the investments as reported by the fund manager.

(e) Private equity and venture capital partnerships: Investments in various global private equity funds that specialize in buyouts, distressed, venture capital funds and growth equity strategies, and private real assets funds. These

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**September 30, 2023 and 2022**

are non-marketable and illiquid investments in closed-end private investment funds that have terms over 10 years. The managers, or general partners of these investment funds, have full discretion to call capital from and distribute profits to the Society. These investments can never be redeemed within the funds and distributions are received when underlying assets of the funds are liquidated. The fair values of the investments in this class have been estimated using the NAV of the Society's ownership interest in partners' capital.

The Society has subscription agreement commitments totaling \$82.9 million and \$68.4 million in various alternative investments as of September 30, 2023 and 2022, respectively. In the event of nonpayment, the Society will be subject to penalties in the form of a reduction in its partnership interest or payment of interest. As of September 30, 2023 and 2022, the Society has paid a total of \$47.3 million and \$40.7 million, respectively, toward these commitments.

**NOTE 4 - NONPOOLED INVESTMENTS**

Nonpooled investments consist of investments held for charitable remainder trusts, charitable gift annuities and other specifically designated funds.

The following tables set forth by level, within the fair value hierarchy, the nonpooled investments at fair value at September 30, 2023 and 2022. See Note 2 for a full description of the various levels:

	2023	
	Level 1	Total
Money market mutual funds	\$ 20,736,443	\$ 20,736,443
Stocks	15,208,495	15,208,495
Mutual funds	19,984,675	19,984,675
U.S. government obligations	3,466,823	3,466,823
Total nonpooled investments, at fair value	\$ 59,396,436	59,396,436
Cash on deposit		9,965,196
Alternative investments measured at NAV		6,033,362
Time deposits and Israeli bonds		6,695,798
Total nonpooled investments		\$ 82,090,792





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NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2023 and 2022

**NOTE 5 - INVESTMENT INCOME, NET**

	<u>2023</u>	<u>2022</u>
Interest and dividends	\$ 7,468,450	\$ 8,526,855
Realized and unrealized gains (losses) on investments	<u>54,893,493</u>	<u>(58,572,542)</u>
Investment income (loss)	62,361,943	(50,045,687)
Less: investment management fees	<u>(797,900)</u>	<u>(998,181)</u>
Total investment income (loss), net	<u>\$ 61,564,043</u>	<u>\$ (51,043,868)</u>

**NOTE 6 - LOAN RECEIVABLE**

Effective September 30, 2010, the advances to Technion were converted to a 30-year loan receivable bearing an interest rate of 4% per annum. The interest is used to provide grants to Technion. The loan is collateralized by investments held at Technion. The principal is payable as a lump-sum payment on September 30, 2040, but prepayments are permitted. The loan may be renewed on or before September 30, 2040 upon the mutual consent of both the Society and Technion.

The loan was reduced by \$79,680 and \$181,937 from the amounts recovered from the Trustee for the Liquidation of Bernard Madoff Investments Securities LLC in 2023 and 2022, respectively, as described in Note 10, and \$1,000,000 payments made by the Technion each year in 2023 and 2022.

**NOTE 7 - CONTRIBUTIONS RECEIVABLE**

All unconditional contributions receivable have been recorded at present value. Those receivables that are due in more than one year have been discounted to their present value using discount rates ranging between 0.88% and 6%. The receivables at September 30, 2023 and 2022 were due as follows:

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**September 30, 2023 and 2022**

	2023
Due as of September 30, 2023	\$ 2,965,155
Due in 2024	6,867,811
Due after 2024:	
2025	6,881,184
2026	4,104,651
2027	4,034,826
2028	1,747,986
Thereafter	5,111,670
	21,880,317
Less: discount to present value	(2,129,900)
Present value of contributions receivable due after 2024	19,750,417
Present value of contributions receivable	29,583,383
Less: allowance for doubtful accounts	(7,419,783)
Present value of contributions receivable - net of allowance for doubtful accounts	\$ 22,163,600
	2022
Due as of September 30, 2022	\$ 6,110,579
Due in 2023	13,612,872
Due after 2023:	
2024	4,771,906
2025	4,079,361
2026	2,991,326
2027	2,887,486
Thereafter	6,739,156
	21,469,235
Less: discount to present value	(2,752,900)
Present value of contributions receivable due after 2023	18,716,335
Present value of contributions receivable	38,439,786
Less: allowance for doubtful accounts	(9,572,433)
Present value of contributions receivable - net of allowance for doubtful accounts	\$ 28,867,353

In March 2018, the Society entered into a grant agreement totaling \$50 million with a family foundation that is payable in various installments through June 2027, subject to the completion of program milestones, as set forth in the agreement, to the reasonable satisfaction of the foundation. Therefore, the related grant

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

funds are not reflected within the contributions receivable balance on the statement of financial position as of September 30, 2018. Included within the contributions revenue line of the statements of activities for the year ended September 30, 2022 is \$5,000,000 installment received from the family foundation. Funds totaling \$4.95 million were distributed as annual grants to Technion in 2022. The family foundation's upcoming installments to finance the related program at the University are contingent upon meeting of specified benchmarks.

**NOTE 8 - SPLIT-INTEREST AGREEMENTS**

The Society is a beneficiary under certain split-interest agreements in which the donor has established a charitable remainder unitrust, annuity trust or charitable gift annuity with specified distributions to be made over the term of the trust to the donor and/or other beneficiaries. The Society manages and invests these assets on behalf of these beneficiaries until the agreement expires and the assets are distributed. Contribution revenue is recognized at the date the trust or annuity contract is established after recording liabilities for the present value of the estimated future payments expected to be made to the donors and/or other beneficiaries. The liabilities are adjusted annually for changes in the life expectancy of the donor or beneficiary, amortization of the discount and other changes in the estimates of future payments. The discount rate used to value new split-interest agreements was 4.82%. The Society's liabilities under split-interest agreements were classified as Level 3 within the fair value hierarchy as required by U.S. GAAP for fair value measurement (see Note 2).

The following table summarizes the changes in the Society's Level 3 liabilities under split-interest agreements for the years ended September 30, 2023 and 2022:

	Annuity Obligations	
	2023	2022
Balance, beginning of year	\$ 21,387,370	\$ 22,598,716
New agreements	610,025	1,018,351
Payments to annuitants	(2,423,437)	(2,588,985)
Terminated contracts	(820,989)	(523,582)
Change in value due to actuarial valuations	1,534,759	882,870
Balance, end of year	\$ 20,287,728	\$ 21,387,370

The Society is the beneficiary of various split-interest agreements that are held and administered by others. When the Society is not the trustee, the beneficial interest in the trust is recorded at the fair value of the assets at the statement of financial position date less the present value of estimated future payments expected to be made to donors and/or other beneficiaries.

The Society's assets of trusts and other split-interest agreements held by others are classified as Level 3 within the fair value hierarchy. The following table summarizes the changes in the Society's Level 3 assets of trusts and other split-interest agreements held by others for the years ended September 30, 2023 and 2022:

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

	Beneficial Interests in Trusts	
	2023	2022
Balance, beginning of year	\$ 43,157,905	\$ 52,227,868
New agreements	-	-
Terminated contracts	(508,713)	(1,403,182)
Change in value of trust assets	1,721,897	(7,666,781)
Balance, end of year	\$ 44,371,089	\$ 43,157,905

The investments in split-interest agreements are included in nonpooled investments in the statement of financial position and are summarized within the fair value hierarchy (see Note 2) included with the nonpooled investments (Note 4). The assets of the split-interest agreements are allocated to net assets without donor restrictions and net assets with donor restrictions as follows:

	2023	2022
Net assets without donor restrictions	\$ 9,216,575	\$ 5,562,589
Net assets with donor restrictions	49,698,020	48,606,312
	\$ 58,914,595	\$ 54,168,901

Contribution revenue from split interest agreements totaled \$940,000 and \$1,621,144 for the years ended September 30, 2023 and 2022, respectively, and are included within contributions on the accompanying statement of activities. Changes in the value of split interest agreements and beneficial interests in trusts totaled \$5,811,412 and (\$16,506,236) for the years ended September 30, 2023 and 2022, respectively, and are reflected on the accompanying statement of activities.

**NOTE 9 - FIXED ASSETS**

	2023				2022			
	Cost	Accumulated Depreciation	Net	Estimated Useful Lives	Cost	Accumulated Depreciation	Net	Estimated Useful Lives
Office condominium	\$ 9,801,289	\$ 5,584,692	\$ 4,216,597	40 years	\$ 9,801,289	\$ 5,339,660	\$ 4,461,629	40 years
Office condominium improvements	3,089,724	1,699,135	1,390,589	35-40 years	3,008,522	1,620,742	1,387,780	35-40 years
Furniture and equipment	4,363,786	4,228,853	134,933	3-7 years	4,339,519	4,155,156	184,363	3-7 years
	\$ 17,254,799	\$ 11,512,680	\$ 5,742,119		\$ 17,149,330	\$ 11,115,558	\$ 6,033,772	

The office condominium and related improvements house the national office of the Society located in New York City.

**NOTE 10 - RECOVERY OF PREVIOUSLY IMPAIRED ASSET**

The United States Bankruptcy Court for the Southern District of New York has granted the motions of the Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC for an Order Approving the Allocation of Property to the Fund of Customer Property and Authorizing Interim Distributions to Customers. The Society received a distribution of \$83,210 and \$189,656 during the years ended September 30, 2023 and 2022, respectively. As of September 30, 2023 and 2022, the Society has received partial distributions

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

of \$23,095,685 and \$23,012,475, respectively, which represents 73.55% and 73.29% of its allowed claim of \$31.4 million.

As agreed between the Society and Technion, the Society will reduce the amount of the loan due from Technion equal to the amount recovered from the Trustee of the Liquidation of Bernard L. Madoff Investment Securities LLC, excluding amount allocated to the Sam Neaman Fund (see Note 6).

**NOTE 11 - LOAN PAYABLE**

On August 3, 2018, the Society obtained a five-year term credit and security facility in the amount of \$11.3 million (the "2018 Loan") with Citibank N.A. The proceeds from the loan was used to pay off its previous \$11.3 million term loan from Citibank N.A. that was obtained on November 21, 2011 (the "2011 Loan") to fund the retirement of its outstanding tax-exempt bonds issued through the Industrial Development Agency of New York ("IDA"). There was no penalty for the early repayment of the 2011 loan.

The 2018 Loan carried a 3.985% fixed rate of interest and matured on July 13, 2023. The Society entered into an interim floating rate demand line at SOFR plus 120 bps. The debt facility terminated on December 27, 2023 and transitioned from Citibank's Private group to its Commercial sector, and renewed to a 5-year option at an annual fixed nominal rate of 4.7%. Based on a 15-year amortization schedule, the principal would be paid down at \$500,000 annually.

Interest expense was \$516,992 in 2023 and \$456,559 in 2022.

The loan is collateralized by certain investments of the Society.

**NOTE 12 - RETIREMENT PLAN AND POSTRETIREMENT MEDICAL BENEFITS**

The Society has a defined contribution retirement plan covering all eligible employees. The plan is managed by TIAA-CREF. The Society contributes 6% of eligible employees' salaries to the plan. The Society has a supplemental defined contribution retirement plan whereby it contributes 4% of certain executives' salaries. Covered employees are entitled to the proceeds only upon retirement.

The expense for the year relating to these plans was \$535,932 in 2023 and \$469,628 in 2022.

Effective October 1, 2004, the Society adopted a policy to provide postretirement medical benefits (Medigap coverage) to certain qualified employees. The Society also provides additional postretirement benefits to a former executive employee in the form of long-term care coverage.

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

The following table sets forth the plan's funded status and amounts recognized in accounts payable and accrued expenses on the statements of financial position at September 30, 2023 and 2022.

	2023	2022
Projected benefit obligation at September 30	\$ (2,332,548)	\$ (2,254,439)
Funded status	\$ (2,332,548)	\$ (2,254,439)
Accrued benefit costs recognized in the statements of financial position	\$ 2,332,548	\$ 2,254,439
Weighted-average assumptions as of September 30:		
Discount rate	4.00%	3.05%
Expected return on plan assets	N/A	N/A
Benefit (credit) cost	\$ 115,932	\$ 100,000

In general, the expense computation assumes future medical cost inflation of 5% per year. The health care cost trend rate assumption has a significant effect on the amounts reported.

**NOTE 13 - COMMITMENTS AND CONTINGENCIES**

The Society leases its regional offices under various operating leases. The rent expense incurred for the years ended September 30, 2023 and 2022 was \$281,643 and \$297,896, respectively, exclusive of rent tax and rubbish removal. The leases terminate on various dates through December 2025. The Society also has an employment agreement with a key employee that extends through September 2025.

The estimated minimum lease and employment commitments are as follows:

2024	\$	796,501
2025		634,594
2026		1,885
	\$	1,432,980

Refer to Note 11 for discussion related to commitments associated with the Society's loan payable.

**NOTE 14 - CONCENTRATIONS**

Financial instruments which potentially subject the Society to a concentration of credit risk are cash accounts with financial institutions in excess of Federal Deposit Insurance Corporation insurance limits.

Total contributions receivable at September 30, 2023 and 2022 include \$21,317,500 and \$25,097,500, from eight and six donors, respectively. The current discounted value of these contributions receivable is \$19,876,019 and \$23,698,549, respectively.

Total contribution revenue for the years ended September 30, 2023 and 2022 include \$32,043,576 from nine donors and \$46,753,500 from 11 donors, respectively.

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

**NOTE 15 - NET ASSETS**

***Interpretation of Relevant Law***

The Board of Directors of the Society has adopted the New York Prudent Management of Institutional Funds Act (“NYPMIFA”). 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 spending limit of 7% of the average of its previous five years’ balance. As a result of this interpretation, the Society classifies as net assets with donor restrictions (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the Society’s donor-restricted endowment fund includes the accumulated unspent earnings on the donor-restricted endowment funds that remains within net assets with donor restrictions until those amounts are appropriated for expenditure by the Society in a manner consistent with the standards of prudence prescribed by NYPMIFA.

***Return Objectives, Strategies Employed and Spending Policy***

The primary objective of the endowment is to preserve the purchasing power of its assets, while providing a continuing and stable funding source to support the current and future mission of the Society. The Society seeks to generate a total return that will exceed its operating expenses and distribution requirements, as well as all expenses associated with managing the Society and the eroding effects of inflation, with the excess above and beyond the amount approved for expenditure or distribution reinvested in the Society.

The Society has a long-term investment horizon with relatively moderate liquidity needs and therefore can tolerate short- and intermediate-term volatility provided that long-term returns meet or exceed its investment objective. A portion of the endowment may be invested in asset classes and investment strategies with a higher risk-return profile, as appropriate.

During fiscal years 2023 and 2022, the Society is permitted to spend interest and dividend income plus realized and unrealized capital gains from the endowment’s investments up to the 7% spending rate.

***Endowment Net Asset Composition as of September 30, 2023 and 2022***

Endowment net assets are comprised of the following:

	2023	2022
Endowments for funds held in perpetuity:		
Original corpus	\$ 382,518,429	\$ 376,008,929
Unappropriated accumulated earnings	60,922,296	21,633,033
	443,440,725	397,641,962
Term endowment (inclusive of accumulated earnings of \$1,708,754 and \$385,749, respectively)	10,393,754	9,070,749
Donor-restricted endowment funds	453,834,479	406,712,711
Board-designed endowment fund	2,764,601	2,635,499
Total endowment net assets	\$ 456,599,080	\$ 409,348,210



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**September 30, 2023 and 2022**

Changes in endowment net assets for the years ended September 30, 2023 and 2022 are composed of the following:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 2,635,499	\$ 406,712,711	\$ 409,348,210
Interest and dividends		21,874,296	21,874,296
Unrealized and realized gains	129,102	37,951,412	38,080,514
Contributions	-	7,269,884	7,269,884
Present value discount/appreciation of contributions receivable	-	(184,345)	(184,345)
Contribution of and change in value of beneficial interest in remainder trusts	-	105,427	105,427
Appropriation for expenses/satisfaction of program restrictions	-	(19,894,906)	(19,894,906)
Endowment net assets, at end of year	<u>\$ 2,764,601</u>	<u>\$ 453,834,479</u>	<u>\$ 456,599,080</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 596,045	\$ 465,545,706	\$ 466,141,751
Interest and dividends	-	12,839,083	12,839,083
Unrealized and realized gains (losses)	39,454	(61,429,058)	(61,389,604)
Contributions	2,000,000	8,724,227	10,724,227
Present value discount/appreciation of contributions receivable	-	23,818	23,818
Contribution of and change in value of beneficial interest in remainder trusts	-	(2,402,173)	(2,402,173)
Appropriation for expenses/satisfaction of program restrictions	-	(16,588,892)	(16,588,892)
Endowment net assets, at end of year	<u>\$ 2,635,499</u>	<u>\$ 406,712,711</u>	<u>\$ 409,348,210</u>

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**September 30, 2023 and 2022**

***Funds with Deficiencies***

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Society to retain as a fund of perpetual duration due to unfavorable market fluctuations. In accordance with U.S. GAAP, deficiencies of this nature that are reported in net assets with restrictions totaled \$998,048 as of September 30, 2022 as follows:

	2022
Original gift	\$ 20,840,929
Accumulated losses	(998,048)
	\$ 19,842,881

As a policy, the Society does not appropriate from underwater endowment funds. Any appropriations from underwater endowment funds are based on specific permission from the donor or, in the case of endowment funds from deceased donors, in accordance with the Society's general endowment spending policy. There were no appropriations from underwater endowment funds for the year ended September 30, 2022.

Due to the overall favorable market trend in the fiscal year ended September 30, 2023, there are no underwater endowment accounts.

***Net Assets Without Restrictions***

Net assets without restrictions are available for operations.

***Net Assets with Donor Restrictions***

Net assets with donor restrictions are available for the following purposes or periods:

	2023	2022
Education	\$ 440,902,858	\$ 402,712,354
Research	64,313,020	60,199,718
Capital projects	264,593	10,097,041
Time restrictions	29,255,105	27,570,333
	\$ 534,735,576	\$ 500,579,446

Net assets with donor restrictions were released from donor restrictions by incurring expenditures satisfying the following donor restrictions or by occurrence of other events specified by donors.

	2023	2022
Purpose restriction accomplished:		
Education	\$ 27,102,101	\$ 33,186,867
Research	11,716,634	17,288,343
Capital projects	25,911,083	7,146,734
	\$ 64,729,818	\$ 57,621,944
Time restrictions	\$ -	\$ 89,571

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

**NOTE 16 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Society receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity with the income generated from such endowments used to fund programs. In addition, the Society receives support without donor restrictions that has represented approximately 68% of its annual operating needs, with the remainder funded from appropriated earnings from gifts with donor restrictions and donor approved share on non-endowed cash gifts for Technion programs.

The Society regularly monitors the availability of resources required to meet its operating needs and other contractual commitments while also striving to maximize the investment of its available funds. The Society's financial assets available within one-year of the statement of financial position date for general expenditures are as follows:

	Financial Assets as of September 30,	
	2023	2022
Cash	\$ 2,407,334	\$ 2,616,068
Investments	489,942,703	441,532,755
Contributions receivable	22,163,600	28,867,353
Other receivables and other assets	130,767	125,404
Total financial assets available within one year	514,644,404	473,141,580
Less:		
Contractual, legal or donor-imposed restrictions:		
Amounts subject to appropriation and satisfaction of donor restrictions	467,069,742	426,497,409
Pledges with donor restrictions	22,141,723	28,844,183
Other receivables and other assets, available after one year	130,767	125,404
Illiquid investment	1,032,366	1,032,366
Total amounts unavailable for general expenditures within one year	490,374,598	456,499,362
Total financial assets available to management for general expenditure before amounts subject to the Board of Directors' approval	24,269,806	16,642,218
Less:		
Amounts unavailable to management without Board of Directors' approval		
Board-designated endowment fund	2,764,601	2,635,499
Total financial assets available within one year to meet general expenditures	\$ 21,505,205	\$ 14,006,719

As part of the Society's liquidity management, the Society structures its financial assets to be available as its general operations, liabilities, and other obligations require. To manage its liquidity, the Society operates within a prudent range of financial soundness and stability and maintains adequate liquid assets to fund near term operating needs and continues to build its reserves to provide reasonable assurance that long

**American Society for Technion-Israel Institute of Technology, Inc.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**September 30, 2023 and 2022**

term obligations will be discharged. As an additional source of liquidity, the Society, with approval from its Board, may draw from its \$8.7 million line of credit, in the event of financial distress or immediate liquidity need resulting from events outside general operations.

**NOTE 17 - SUBSEQUENT EVENTS**

The Society evaluated its September 30, 2023 financial statements for subsequent events through March 15, 2024, the date the financial statements were available to be issued. The Society is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.