

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

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

For the year ended September 30, 2024, with  
summarized comparative information for the year  
ended September 30, 2023

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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, 2024 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as of September 30, 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

We conducted our 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 2023 summarized comparative information*

We have previously audited the Society's 2023 financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 15, 2024. In our opinion, the accompanying summarized comparative information as of and for the year ended September 30, 2023 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 21, 2025

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

**STATEMENT OF FINANCIAL POSITION**

**As of September 30, 2024, with summarized comparative totals as of September 30, 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash	\$ 3,743,524	\$ 2,407,334
Investments - pooled (Note 3)	495,674,899	407,851,911
Investments - nonpooled (Note 4)	105,941,894	82,090,792
Contributions receivable, net (Note 7)	32,375,450	22,163,600
Beneficial interests in trusts (Note 8)	50,830,817	44,371,089
Other receivables	664,751	130,767
Cash surrender value of life insurance policies	2,148,802	2,142,860
Prepaid expenses and other assets	2,566,368	2,830,439
Loan receivable (Note 6)	32,230,618	33,356,829
Fixed assets, net (Note 9)	5,385,140	5,742,119
	<b>\$ 731,562,263</b>	<b>\$ 603,087,740</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable, accrued expenses and other liabilities	\$ 5,387,462	\$ 4,874,421
Loan payable (Note 11)	10,958,210	11,316,261
Transmissions payable	8,870,972	8,996,330
Annuity obligations (Note 8)	20,391,605	20,287,728
	45,608,249	45,474,740
<b>Commitments and contingencies (Note 13)</b>		
<b>Net assets</b>		
Without donor restrictions (Notes 2 and 15)	26,488,002	22,877,424
With donor restrictions (Notes 2 and 15)	659,466,012	534,735,576
	685,954,014	557,613,000
	<b>\$ 731,562,263</b>	<b>\$ 603,087,740</b>

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, 2024, with summarized  
comparative totals for the year ended September 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2024</u>	<u>Total 2023</u>
<b>Revenues, gains, losses, and other support</b>				
Contributions	\$ 3,819,054	\$ 55,547,891	\$ 59,366,945	\$ 45,955,446
Legacies and bequests	4,932,677	33,797,958	38,730,635	14,082,823
Total public support (Note 14)	8,751,731	89,345,849	98,097,580	60,038,269
Investment income, net (Note 5)	10,731,960	81,482,390	92,214,350	61,564,043
Changes in value of split-interest agreements (Note 8)	6,372,849	8,010,437	14,383,286	5,811,412
Interest on loan receivable and other income	654,274	4,085,337	4,739,611	2,160,621
Net assets released from restrictions (Note 15)				
Satisfaction of program and time restrictions	58,193,577	(58,193,577)	-	-
Total revenues, gains, losses and other support	84,704,391	124,730,436	209,434,827	129,574,345
<b>Expenses</b>				
Program services				
Grants to Technion-Israel Institute of Technology and other beneficiaries	58,828,783	-	58,828,783	68,693,234
Education and other programs	2,038,793	-	2,038,793	2,891,008
Total program services	60,867,576	-	60,867,576	71,584,242
Supporting services				
Management and general	6,014,827	-	6,014,827	8,223,756
Fundraising	14,211,410	-	14,211,410	11,409,416
Total supporting services	20,226,237	-	20,226,237	19,633,172
Total expenses	81,093,813	-	81,093,813	91,217,414
<b>CHANGE IN NET ASSETS</b>	3,610,578	124,730,436	128,341,014	38,356,931
<b>Net assets, beginning of year</b>	22,877,424	534,735,576	557,613,000	519,256,069
<b>Net assets, end of year</b>	<u>\$ 26,488,002</u>	<u>\$ 659,466,012</u>	<u>\$ 685,954,014</u>	<u>\$ 557,613,000</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, 2024, with summarized comparative totals for the year ended September 30, 2023

	Grants	Education and Other Programs	Total	Management and General	Fundraising	Total	Total 2024	Total 2023
<b>Grants to Technion-Israel Institute of Technology and other beneficiaries</b>	<u>\$ 58,828,783</u>	<u>\$ -</u>	<u>\$ 58,828,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,828,783</u>	<u>\$ 68,693,234</u>
<b>Personnel costs</b>								
Payroll	-	801,696	801,696	2,478,985	7,692,868	10,171,853	10,973,549	10,352,704
Employee benefits	-	139,131	139,131	615,443	1,652,464	2,267,907	2,407,038	2,227,211
Total personnel costs	-	940,827	940,827	3,094,428	9,345,332	12,439,760	13,380,587	12,579,915
<b>Other expenses</b>								
Occupancy (includes interest expense of \$535,311 and \$516,992 in fiscal 2024 and 2023)	-	17,179	17,179	542,074	764,387	1,306,461	1,323,640	1,278,305
Travel	-	-	-	45,060	360,352	405,412	405,412	549,898
Travel - Israeli speakers	-	251,174	251,174	-	-	-	251,174	182,891
Marketing	-	-	-	51,154	2,312,506	2,363,660	2,363,660	787,454
Communications - telephone and internet	-	-	-	35,567	79,834	115,401	115,401	110,257
Conference and meetings	-	-	-	-	697,680	697,680	697,680	247,070
Postage and shipping	-	2,812	2,812	11,176	42,251	53,427	56,239	103,294
Supplies (includes dues and subscriptions)	-	-	-	31,302	26,663	57,965	57,965	60,684
Equipment rental and maintenance	-	-	-	44,911	-	44,911	44,911	41,725
Information systems	-	-	-	555,562	-	555,562	555,562	450,081
Professional fees	-	-	-	959,122	419,799	1,378,921	1,378,921	1,392,207
Insurance	-	-	-	363,755	-	363,755	363,755	351,941
Campaign events	-	826,801	826,801	-	-	-	826,801	1,315,241
Bad debt expense	-	-	-	-	-	-	-	2,316,412
Other	-	-	-	53,876	11,379	65,255	65,255	359,683
Total personnel costs and other expenses before depreciation and amortization	-	2,038,793	2,038,793	5,787,987	14,060,183	19,848,170	21,886,963	22,127,058
<b>Depreciation and amortization</b>	-	-	-	226,840	151,227	378,067	378,067	397,122
Total personnel costs and other expenses	-	2,038,793	2,038,793	6,014,827	14,211,410	20,226,237	22,265,030	22,524,180
Total expenses	<u>\$ 58,828,783</u>	<u>\$ 2,038,793</u>	<u>\$ 60,867,576</u>	<u>\$ 6,014,827</u>	<u>\$ 14,211,410</u>	<u>\$ 20,226,237</u>	<u>\$ 81,093,813</u>	<u>\$ 91,217,414</u>

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, 2024, with summarized  
comparative totals for the year ended September 30, 2023**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 128,341,014	\$ 38,356,931
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	378,067	397,122
Unrealized/realized gain on investments	(93,809,952)	(61,564,043)
Actuarial gain on annuity obligations	(4,511,837)	(3,759,195)
Contributions restricted for long-term investment purposes	(19,752,356)	(7,190,966)
Contributions restricted for annuity agreements	(324,902)	(329,975)
Proceeds from beneficial interest in remainder trusts	(218,488)	508,713
Change in value of beneficial interest in remainder trusts	(6,241,240)	(1,213,184)
Decrease (increase) in assets:		
Contributions receivable	(10,211,850)	6,703,753
Other receivables	(533,984)	(5,363)
Cash surrender value of life insurance policies	(5,942)	(16,305)
Prepaid expenses and other assets	264,071	34,657
Loan receivable	1,126,211	1,079,823
(Decrease) increase in liabilities:		
Accounts payable, accrued expenses and other liabilities	513,041	161,320
Transmissions payable	(125,358)	3,907,571
Net cash used in operating activities	(5,113,505)	(22,929,141)
<b>Cash flows from investing activities:</b>		
Fixed asset acquisitions	(21,088)	(105,469)
Purchase of investments	(143,050,616)	(186,843,222)
Proceeds from sale of investments	125,186,477	199,488,604
Net cash (used in) provided by investing activities	\$ (17,885,227)	\$ 12,539,913

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, 2024, with summarized  
comparative totals for the year ended September 30, 2023**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from financing activities:</b>		
Proceeds from contributions for long-term investment purposes	\$ 19,752,356	\$ 7,190,966
Proceeds from contributions restricted for investment subject to annuity agreements	1,114,266	940,000
Payment of loan principal	(358,051)	-
Payment of annuity obligations	(2,410,637)	(2,423,782)
Investment income subject to annuity agreements	6,236,988	4,473,310
	24,334,922	10,180,494
<b>NET CHANGE IN CASH</b>	1,336,190	(208,734)
<b>Cash, beginning of year</b>	2,407,334	2,616,068
<b>Cash, end of year</b>	\$ 3,743,524	\$ 2,407,334
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the year for interest	\$ 535,311	\$ 519,992
<b>Noncash items:</b>		
Interest on loan receivable	\$ 1,329,225	\$ 1,374,273
Grants to Technion-Israel Institute of Technology, Inc.	\$ (1,329,225)	\$ (1,374,273)

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

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

**NOTES TO FINANCIAL STATEMENTS**

**For the year ended September 30, 2024, with summarized  
comparative information for the year ended September 30, 2023**

**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**

**For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023**

- 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, 2024. 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. Refer to 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**

**For the year ended September 30, 2024, with summarized  
comparative information for the year ended September 30, 2023**

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 \$2,500 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.

As approved by the Board of Directors, \$2,825,360 of current net assets without donor restrictions is designated as a quasi-endowment fund, to be utilized for purposes determined and approved by the Board (refer to Note 15). No additions have been made to the quasi-endowment since then.

**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**

**For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023**

***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 fully reported within that section. Shared roles costs are allocated based on estimated effort or time spent by employees.

***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**

**For the year ended September 30, 2024, with summarized  
comparative information for the year ended September 30, 2023**

**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, 2023, 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, 2024 and 2023. Refer to Note 2 for a full description of the various levels.

	2024	
	Level 1	Total
Money market mutual funds	\$ 17,290,277	\$ 17,290,277
Exchange traded and index funds	207,053,732	207,053,732
Mutual funds	13,305,751	13,305,751
Total pooled investments, at fair value	\$ 237,649,760	237,649,760
Cash on deposit		132
Time deposits		15,550,806
Alternative investments measured at NAV		242,474,201
Total pooled investments		\$ 495,674,899
	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

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended September 30, 2024, with summarized  
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The following tables present the alternative investments as of September 30, 2024 and 2023:

	2024			
	Fair Value	Number of Funds	Redemption Frequency	Redemption Notice Period
Alternative investments:				
Global public equity <sup>(a)</sup>	\$ 85,456,757	4	Monthly/Quarterly	6-10 days
Domestic equity <sup>(b)</sup>	14,098,478	1	Quarterly	45 days
Flexible capital <sup>(c)</sup>	83,241,898	5	Quarterly/Semi-Annual/Annual	45-90 days
Emerging market equity <sup>(d)</sup>	5,815,346	1	Monthly	7 days
Private equity and venture capital partnerships <sup>(e)</sup>	<u>53,861,722</u>	29	Illiquid	N/A
	<u>\$ 242,474,201</u>			
	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>	<u>41,449,141</u>	22	Illiquid	N/A
	<u>\$ 192,153,772</u>			

<sup>(a)</sup> 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.

<sup>(b)</sup> 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.

<sup>(c)</sup> 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.

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**For the year ended September 30, 2024, with summarized  
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- (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 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 \$96.8 and \$82.9 million in various alternative investments as of September 30, 2024 and 2023, 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, 2024 and 2023, the Society has paid a total of \$56.0 million and \$47.3 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, 2024 and 2023. Refer to Note 2 for a full description of the various levels:

	2024	
	Level 1	Total
Money market mutual funds	\$ 49,498,063	\$ 49,498,063
Stocks	21,635,419	21,635,419
Mutual funds	15,736,447	15,736,447
U.S. government obligations	1,975,694	1,975,694
Total nonpooled investments, at fair value	\$ 88,845,623	88,845,623
Cash on deposit		9,794,048
Alternative investments measured at NAV		1,032,367
Time deposits and Israeli bonds		6,269,856
Total nonpooled investments		\$ 105,941,894



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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023**

	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

The following tables present alternative investments as of September 30, 2024 and 2023:

	2024			
	Fair Value	Number of Funds	Redemption Frequency	Redemption Notice Period
Alternative investments:				
Limited partnership <sup>(c)</sup>	\$ 1,032,367	1	Illiquid	N/A
	\$ 1,032,367			
	2023			
	Fair Value	Number of Funds	Redemption Frequency	Redemption Notice Period
Alternative investments:				
International developed equity <sup>(a)</sup>	\$ 1,985,331	1	Monthly	10 days
Flexible capital <sup>(b)</sup>	3,015,664	1	Quarterly	90 Days
Limited partnership <sup>(c)</sup>	1,032,367	1	Illiquid	N/A
	\$ 6,033,362			

<sup>(a)</sup> International developed equity: Investment in a value oriented hedge fund that seeks to outperform the MSCI EAFE Index. The fair value has been estimated using the NAV per share of the investments as reported by the fund manager.

<sup>(b)</sup> Flexible capital: Investment in a credit oriented multi-strategy hedge fund that focuses on situations where value can be realized through a number of methods, including restructuring and price corrections. The investment can be redeemed quarterly with 90 days' notice and a maximum redemption equivalent to 25% of the investment value. The fair value has been estimated using the NAV per share of the investments as reported by the fund managers.

<sup>(c)</sup> Limited partnership: Investment in a limited partnership that invests solely in a real estate property. The fair value of the investment in this class has been estimated based on the Society's ownership interest in the investment.

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**For the year ended September 30, 2024, with summarized  
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**NOTE 5 - INVESTMENT INCOME, NET**

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 10,323,831	\$ 7,468,450
Realized and unrealized gains on investments	<u>82,678,032</u>	<u>54,893,493</u>
Investment income	93,001,863	62,361,943
Less: investment management fees	<u>(787,513)</u>	<u>(797,900)</u>
Total investment income, net	<u>\$ 92,214,350</u>	<u>\$ 61,564,043</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 \$126,211 and \$79,680 from the amounts recovered from the Trustee for the Liquidation of Bernard Madoff Investments Securities LLC in 2024 and 2023, respectively, as described in Note 10, and \$1,000,000 payments made by the Technion in 2024 and 2023, respectively.

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

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023

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, 2024 and 2023 were due as follows:

	<u>2024</u>
Due as of September 30, 2024	\$ 5,045,476
Due in 2025	12,123,040
Due after 2025:	
2026	7,032,084
2027	5,189,353
2028	2,612,028
2029	2,448,938
Thereafter	<u>5,028,287</u>
	22,310,690
Less: discount to present value	<u>(2,106,444)</u>
Present value of contributions receivable due after 2025	<u>20,204,246</u>
Present value of contributions receivable	37,372,762
Less: allowance for doubtful accounts	<u>(4,997,312)</u>
Present value of contributions receivable - net of allowance for doubtful accounts	<u>\$ 32,375,450</u>

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**For the year ended September 30, 2024, with summarized  
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	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

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 funds were not reflected within the contributions receivable balance on the statement of financial position as of September 30, 2018. The family foundation's upcoming installments to finance the related program at the University are contingent upon meeting of specified benchmarks. The last payment was made in July 2022, but in December 2024, the family foundation resumed its financial support for the University's quantum-related program according to their commitment.

**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 4.52%. 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 (refer to Note 2).

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**For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023**

The following table summarizes the changes in the Society's Level 3 liabilities under split-interest agreements for the years ended September 30, 2024 and 2023:

	Annuity Obligations	
	2024	2023
Balance, beginning of year	\$ 20,287,728	\$ 21,387,370
New agreements	789,364	610,025
Payments to annuitants	(2,410,637)	(2,423,437)
Terminated contracts	(176,115)	(820,989)
Change in value due to actuarial valuations	1,901,265	1,534,759
Balance, end of year	\$ 20,391,605	\$ 20,287,728

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, 2024 and 2023:

	Beneficial Interests in Trusts	
	2024	2023
Balance, beginning of year	\$ 44,371,089	\$ 43,157,905
New agreements	894,669	-
Terminated contracts	(676,181)	(508,713)
Change in value of trust assets	6,241,240	1,721,897
Balance, end of year	\$ 50,830,817	\$ 44,371,089

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 (refer to 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:

	2024	2023
Net assets without donor restrictions	\$ 15,463,158	\$ 9,216,575
Net assets with donor restrictions	56,385,735	49,698,020
	\$ 71,848,893	\$ 58,914,595

Contribution revenue from split interest agreements totaled \$1,114,266 and \$940,000 for the years ended September 30, 2024 and 2023, 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

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totaled \$14,383,286 and \$5,811,412 for the years ended September 30, 2024 and 2023, respectively, and are reflected on the accompanying statement of activities.

**NOTE 9 - FIXED ASSETS**

	2024				2023			
	Cost	Accumulated Depreciation	Net	Estimated Useful Lives	Cost	Accumulated Depreciation	Net	Estimated Useful Lives
Office condominium	\$ 9,801,289	\$ 5,829,724	\$ 3,971,565	40 years	\$ 9,801,289	\$ 5,584,692	\$ 4,216,597	40 years
Office condominium improvements	3,089,724	1,781,574	1,308,150	35-40 years	3,089,724	1,699,135	1,390,589	35-40 years
Furniture and equipment	4,384,874	4,279,449	105,425	3-7 years	4,363,786	4,228,853	134,933	3-7 years
	<u>\$ 17,275,887</u>	<u>\$ 11,890,747</u>	<u>\$ 5,385,140</u>		<u>\$ 17,254,799</u>	<u>\$ 11,512,680</u>	<u>\$ 5,742,119</u>	

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 \$131,566 and \$83,210 during the years ended September 30, 2024 and 2023, respectively. As of September 30, 2024 and 2023, the Society has received partial distributions of \$23,227,251 and \$23,095,685, respectively, which represents 73.97% and 73.55% 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 (refer to 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 were 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. 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 \$535,311 in fiscal 2024 and \$516,992 in fiscal 2023. The loan is collateralized by certain investments of the Society.

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The Society has an available \$8.7 million line of credit which carries a variable interest rate based on SOFR plus 60 basis points. The Society has not drawn on this annually renewable loan instrument with Citibank, N.A.

**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 \$559,205 in fiscal 2024 and \$535,932 in fiscal 2023.

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.

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, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Projected benefit obligation at September 30	\$ (2,406,765)	\$ (2,332,548)
Funded status	<u>\$ (2,406,765)</u>	<u>\$ (2,332,548)</u>
Accrued benefit costs recognized in the statements of financial position	\$ 2,406,765	\$ 2,332,548
Weighted-average assumptions as of September 30:		
Discount rate	4.00%	4.00%
Expected return on plan assets	N/A	N/A
Benefit cost	\$ 100,000	\$ 115,932

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, 2024 and 2023 was \$275,495 and \$281,643, respectively, exclusive of rent tax and rubbish removal. The leases terminate on various dates through April 2028. The Society also has an employment agreement with a key employee that extends through September 2025.

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

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The estimated minimum lease and employment commitments are as follows:

2025	\$	788,737
2026		201,660
2027		113,548
2028		15,419
	\$	<u>1,119,364</u>

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, 2024 and 2023 include \$22,184,284 and \$21,317,500, respectively, from eight donors in both years. The current discounted value of these contributions receivable is \$20,861,279 and \$19,876,019, respectively.

Total contribution revenue for the years ended September 30, 2024 and 2023 include \$44,040,000 and \$32,043,576, respectively, from nine donors in both years.

**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.



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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended September 30, 2024, with summarized  
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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 2024 and 2023, 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, 2024 and 2023***

Endowment net assets are comprised of the following:

	2024	2023
Endowments for funds held in perpetuity:		
Original corpus	\$ 402,656,478	\$ 382,518,429
Unappropriated accumulated earnings	129,859,306	60,922,296
	<u>532,515,784</u>	<u>443,440,725</u>
Term endowment (inclusive of accumulated earnings of \$2,464,584 and \$1,708,754, respectively)	11,149,584	10,393,754
	<u>543,665,368</u>	<u>453,834,479</u>
Donor-restricted endowment funds		
	2,825,360	2,764,601
	<u>\$ 546,490,728</u>	<u>\$ 456,599,080</u>

Changes in endowment net assets for the years ended September 30, 2024 and 2023 are composed of the following:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 2,764,601	\$ 453,834,479	\$ 456,599,080
Interest and dividends	-	10,145,476	10,145,476
Unrealized and realized gains	60,759	80,033,057	80,093,816
Contributions	-	15,120,204	15,120,204
Restriction reclassification from non- endowment to endowment	-	3,175,759	3,175,759
Present value discount/appreciation of contributions receivable	-	(416,903)	(416,903)
Contribution of and change in value of beneficial interest in remainder trusts	-	1,873,296	1,873,296
Appropriation for expenses/satisfaction of program restrictions	-	(20,100,000)	(20,100,000)
	<u>\$ 2,825,360</u>	<u>\$ 543,665,368</u>	<u>\$ 546,490,728</u>

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**For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023**

	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>

***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, there are no deficiencies of this nature that are reported in net assets with restrictions as of September 30, 2024 and 2023.

As a protocol, 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 years ended September 30, 2024 and 2023.

Due to the overall favorable market trend in the fiscal years ended September 30, 2024 and 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:

	2024	2023
Education	\$ 533,122,621	\$ 440,902,858
Research	68,140,449	64,313,020
Capital projects	24,148,474	264,593
Time restrictions	34,054,468	29,255,105
	<u>\$ 659,466,012</u>	<u>\$ 534,735,576</u>

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**For the year ended September 30, 2024, with summarized comparative information for the year ended September 30, 2023**

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.

	<u>2024</u>	<u>2023</u>
Purpose restriction accomplished:		
Education	\$ 40,298,774	\$ 27,102,101
Research	8,994,577	11,716,634
Capital projects	<u>8,624,797</u>	<u>25,911,083</u>
	<u>\$ 57,918,148</u>	<u>\$ 64,729,818</u>
Time restrictions	<u>\$ 275,429</u>	<u>\$ -</u>

**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 48% 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.

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended September 30, 2024, with summarized  
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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,	
	2024	2023
Cash	\$ 3,743,524	\$ 2,407,334
Investments	601,616,793	489,942,703
Contributions receivable	32,375,450	22,163,600
Other receivables and other assets	664,751	130,767
Total financial assets available within one year	638,400,518	514,644,404
Less:		
Contractual, legal or donor-imposed restrictions:		
Amounts subject to appropriation and satisfaction of donor restrictions	578,360,939	467,069,742
Pledges with donor restrictions	32,349,720	22,141,723
Other receivables and other assets, available after one year	664,751	130,767
Illiquid investment	1,032,367	1,032,367
Total amounts unavailable for general expenditures within one year	612,407,777	490,374,599
Total financial assets available to management for general expenditure before amounts subject to the Board of Directors' approval	25,992,741	24,269,805
Less:		
Amounts unavailable to management without Board of Directors' approval:		
Board-designated endowment fund	2,825,360	2,764,601
Total financial assets available within one year to meet general expenditures	\$ 23,167,381	\$ 21,505,204

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 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 which carries a variable interest rate based on SOFR plus 60 bps, in the event of financial distress or an immediate liquidity need arising from events beyond its general operations. The Society has not drawn on this loan instrument with Citibank, N.A.

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**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended September 30, 2024, with summarized  
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**NOTE 17 - SUBSEQUENT EVENTS**

The Society evaluated its September 30, 2024 financial statements for subsequent events through March 21, 2025, 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.