

Pregnancy Justice

Financial Statements

December 31, 2023

Independent Auditors' Report

Board of Directors Pregnancy Justice

Opinion

We have audited the accompanying financial statements of Pregnancy Justice, which comprise the statement of financial position as of December 31, 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 financial statements referred to above present fairly, in all material respects, the financial position of Pregnancy Justice as of December 31, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pregnancy Justice 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 Pregnancy Justice's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Pregnancy Justice'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 Pregnancy Justice's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Pregnancy Justice's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 13, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

PKF O'Connor Davies, LLP

June 7, 2024

Pregnancy Justice

Statement of Financial Position
December 31, 2023
(with comparative amounts at December 31, 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 665,628	\$ 545,982
Contributions receivable	828,957	886,698
Prepaid expenses and other assets	188,408	177,766
Investments	4,414,650	4,593,230
Right of use asset, net	1,757,702	2,012,547
Property and equipment, net	<u>449,992</u>	<u>523,589</u>
	<u>\$ 8,305,337</u>	<u>\$ 8,739,812</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 178,110	\$ 69,888
Accrued payroll and related liabilities	119,038	192,755
Lease liability, operating lease	1,802,741	2,038,309
Deferred revenue	40,833	-
Other liabilities	<u>3,839</u>	<u>6,191</u>
Total Liabilities	<u>2,144,561</u>	<u>2,307,143</u>
Net Assets		
Without donor restrictions	4,319,033	4,305,566
With donor restrictions	<u>1,841,743</u>	<u>2,127,103</u>
Total Net Assets	<u>6,160,776</u>	<u>6,432,669</u>
	<u>\$ 8,305,337</u>	<u>\$ 8,739,812</u>

See notes to financial statements

Pregnancy Justice

Statement of Activities
Year Ended December 31, 2023
(with summarized totals for the year ended December 31, 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
REVENUE AND SUPPORT				
Foundation support	\$ -	\$ 1,965,340	\$ 1,965,340	\$ 2,450,000
Contributions	388,479	-	388,479	616,677
Special events, less costs of direct benefit to donors of \$78,610 and \$0	69,145	-	69,145	-
Other support	74,074	-	74,074	31,549
Donated services	4,695,871	-	4,695,871	2,570,495
Investment return	765,445	-	765,445	(937,997)
Net assets released from restrictions	<u>2,250,700</u>	<u>(2,250,700)</u>	<u>-</u>	<u>-</u>
Total Revenue and Support	<u>8,243,714</u>	<u>(285,360)</u>	<u>7,958,354</u>	<u>4,730,724</u>
EXPENSES				
Program Services				
Public education	937,428	-	937,428	695,334
Legal/Advocacy	5,471,343	-	5,471,343	2,788,296
Organizing	<u>451,057</u>	<u>-</u>	<u>451,057</u>	<u>569,110</u>
Total Program Services	<u>6,859,828</u>	<u>-</u>	<u>6,859,828</u>	<u>4,052,740</u>
Support Services				
General and administrative	913,283	-	913,283	1,289,748
Fundraising	<u>457,136</u>	<u>-</u>	<u>457,136</u>	<u>252,058</u>
Total Support Services	<u>1,370,419</u>	<u>-</u>	<u>1,370,419</u>	<u>1,541,806</u>
Total Expenses	<u>8,230,247</u>	<u>-</u>	<u>8,230,247</u>	<u>5,594,546</u>
Change in Net Assets	13,467	(285,360)	(271,893)	(863,822)
NET ASSETS				
Beginning of year	<u>4,305,566</u>	<u>2,127,103</u>	<u>6,432,669</u>	<u>7,296,491</u>
End of year	<u>\$ 4,319,033</u>	<u>\$ 1,841,743</u>	<u>\$ 6,160,776</u>	<u>\$ 6,432,669</u>

See notes to financial statements

Pregnancy Justice

Statement of Functional Expenses Year Ended December 31, 2023 (with summarized totals for the year ended December 31, 2022)

	Program Services				Support Services			2023 Total	2022 Total
	Public Education	Legal/ Advocacy	Organizing	Total	General and Administrative	Fundraising	Total		
Salaries and related costs	\$ 541,685	\$ 707,330	\$ 221,257	\$ 1,470,272	\$ 281,002	\$ 241,563	\$ 522,565	\$ 1,992,837	\$ 1,760,245
Contractual services (including in-kind of \$4,695,871 and \$2,570,495 for 2023 and 2022)	232,903	4,571,098	93,916	4,897,917	550,615	178,901	729,516	5,627,433	3,241,945
Rent and utilities	93,038	93,038	93,038	279,114	15,506	15,506	31,012	310,126	308,534
Telephone	3,048	4,440	1,245	8,733	2,324	1,359	3,683	12,416	17,374
Supplies	35	553	-	588	2,950	-	2,950	3,538	3,803
Printing and postage	129	559	-	688	2,535	-	2,535	3,223	4,307
Travel	14,340	16,423	2,533	33,296	5,198	3,443	8,641	41,937	29,877
Meetings	2,631	4,790	794	8,215	2,160	867	3,027	11,242	3,576
Subscriptions and books	12	20,321	-	20,333	11,143	6,033	17,176	37,509	36,207
Marketing and related costs	5,011	444	444	5,899	7,113	70	7,183	13,082	11,728
Equipment	2,404	3,139	982	6,525	1,247	1,072	2,319	8,844	5,351
Insurance	9,919	9,919	9,919	29,757	1,653	1,653	3,306	33,063	31,501
Miscellaneous	7,227	14,243	1,883	23,353	25,662	2,495	28,157	51,510	56,615
Special event expenses	-	-	-	-	-	78,610	78,610	78,610	-
Depreciation	25,046	25,046	25,046	75,138	4,175	4,174	8,349	83,487	83,483
Total Functional Expenses	937,428	5,471,343	451,057	6,859,828	913,283	535,746	1,449,029	8,308,857	5,594,546
Less: cost of direct benefit to donors	-	-	-	-	-	(78,610)	(78,610)	(78,610)	-
Total Expenses Reported by Function on Statement of Activities	\$ 937,428	\$ 5,471,343	\$ 451,057	\$ 6,859,828	\$ 913,283	\$ 457,136	\$ 1,370,419	\$ 8,230,247	\$ 5,594,546

See notes to financial statements

Pregnancy Justice

Statement of Cash Flows
Year Ended December 31, 2023
(with comparative amounts for the year ended December 31, 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (271,893)	\$ (863,822)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	83,487	83,483
Unrealized (gains) loss on investments	(404,099)	1,097,949
Realized (gains) loss on investments	(216,666)	15,100
Amortization of right of use asset	254,845	251,179
Changes in operating assets and liabilities		
Contributions receivable	57,741	(393,717)
Prepaid expenses and other assets	(10,642)	24,751
Accounts payable	108,222	31,709
Accrued payroll and related liabilities	(73,717)	106,677
Payments on lease liability	(235,568)	(225,417)
Deferred revenue	40,833	-
Other liabilities	(2,352)	(5,211)
Net Cash from Operating Activities	(669,809)	122,681
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(9,890)	(5,700)
Purchases of investments	(523,212)	(1,478,416)
Proceeds from sale of investments	1,322,557	566,522
Net Cash from Investing Activities	789,455	(917,594)
Net Change in Cash and Cash Equivalents	119,646	(794,913)
 CASH AND CASH EQUIVALENTS		
Beginning of year	545,982	1,340,895
End of year	\$ 665,628	\$ 545,982

See notes to financial statements

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

1. Organization and Tax Status

Pregnancy Justice is a not-for-profit organization dedicated to securing the human rights and civil rights, and health and welfare of pregnant and parenting people. Pregnancy Justice works to ensure that no one loses their rights because of pregnancy or because of their capacity for pregnancy, focusing on pregnant people who are most at risk of state control and criminalization: those who are low-income, of color, and drug-using. Pregnancy Justice has maintained this mission since the organization was first established in 2001 as National Advocates for Pregnant Women. During 2022, National Advocates for Pregnant Women, Inc. changed its name to Pregnancy Justice. Pregnancy Justice is primarily supported by foundation grants. The Internal Revenue Service has determined that Pregnancy Justice is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Pregnancy Justice's programs are as follows:

Public Education: Pregnancy Justice uses a variety of traditional and online public education, communications, and social marketing strategies to educate the public, policymakers, advocates and activists about myths and misinformation relating to pregnancy, abortion, pregnancy loss, labor, delivery and drug use by pregnant people. Pregnancy Justice challenges destructive and dehumanizing stereotypes about pregnant people, drug users, and abortion; advocates for evidence-based, humane policies that will ensure the health and human dignity of pregnant people and their families; and identifies the common threads and threats connecting people who have abortions with those seeking to continue their pregnancies to term.

Legal/Advocacy: Pregnancy Justice works directly as co-counsel on numerous cases, and provides legal assistance to defense lawyers, social workers, activists, and people working in the medical and public health fields. Pregnancy Justice challenges prosecutions, legislation, and ballot measures that limit access to abortion; dehumanize pregnant people; invent separate legal rights for fertilized eggs, embryos, and fetuses; expands the war on drugs to criminalize pregnancy; needlessly separate families based on stigma and medical misinformation and that create a separate and unequal system of law for pregnant people.

Organizing and Education: Pregnancy Justice organizes at both the local and national levels. Pregnancy Justice helps to support and encourage grassroots partners, trains people directly affected by punitive policies to become advocates, mobilizes state-based coalitions to action, and sponsors major conferences and continuing education programs that inspire effective advocacy and activism. Pregnancy Justice also works at the national level to mobilize medical and health experts, organizations, and academics to speak out against punitive and counterproductive policies.

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates include functional allocation of expenses, depreciation expense, and allowance for doubtful accounts. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash equivalents include highly liquid investments with a maturity of three months or less at the time of purchase.

Allowance for Doubtful Accounts

Pregnancy Justice provides an allowance for doubtful accounts based upon prior experience and management's assessment of the collectability of existing specific accounts.

Fair Value Measurements

Pregnancy Justice follows U.S. GAAP guidance for fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Investments and Investment Income

Investments are carried at fair value. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the change in net assets.

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

2. Summary of Significant Accounting Policies (*continued*)

Property and Equipment

Property and equipment in excess of \$1,500 are capitalized, stated at cost and depreciated using the straight-line method over their estimated lives. Leasehold improvements are depreciated over the shorter of the term of the lease, inclusive of all renewal periods which are reasonably assured, or the estimated useful life of the asset.

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount of the asset is not recoverable, the value is written down to the asset's fair value, less costs to sell. There were no asset impairments for the years ended December 31, 2023 and 2022.

Net Asset Presentation

Pregnancy Justice reports information regarding financial position and activities according to two classes of net assets: without and with donor restrictions.

Without donor restrictions – consist of resources available for the general support of Pregnancy Justice's operations. Net assets without donor restrictions may be used at the discretion of Pregnancy Justice's management and Board of Directors.

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date, or which require Pregnancy Justice to maintain in perpetuity. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Foundation Support and Contributions

Contributions received, including unconditional promises to give, are recognized as support in the period received. Pregnancy Justice reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods.

In-kind Contributions

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

All in-kind contributions for the years ended December 31, 2023 and 2022 consist of legal professional fees utilized for program and general and administrative activities without donor restrictions and are valued at the estimated fair value based on current rates for similar services.

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

2. Summary of Significant Accounting Policies (*continued*)

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. All other expenses are allocated to functional categories based on estimates of time and effort, except for rent, depreciation, and insurance, which are based on a square footage basis.

Summarized Comparative Information

The statements of activities and functional expenses include certain prior year summarized comparative information in total but not by net asset class or functional 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 Pregnancy Justice's financial statements as of and for the year ended December 31, 2022 from which the summarized information was derived.

Accounting for Uncertainty in Income Taxes

Pregnancy Justice recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that Pregnancy Justice had no uncertain tax positions that would require financial statement recognition or disclosure. Pregnancy Justice is no longer subject to examinations by the applicable taxing jurisdictions for years prior to 2020.

Advertising

Advertising is expensed as it is incurred.

Leases

Pregnancy Justice leases office space and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets ("ROU assets") and operating lease liabilities on the accompanying statement of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. When leases do not provide an implicit borrowing rate, Pregnancy Justice uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend the lease and when it is reasonably certain that Pregnancy Justice will exercise that option, such amounts are included in ROU assets and lease liabilities. Lease expense for the lease payments is recognized on a straight-line basis of the lease term.

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

2. Summary of Significant Accounting Policies (*continued*)

Leases (continued)

Pregnancy Justice's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 7, 2024.

3. Concentration of Credit Risk

Financial instruments that potentially subject Pregnancy Justice to concentrations of credit risk consist principally of cash and cash equivalents, investments and receivables. At times, cash balances may be in excess of the balance insured by the Federal Deposit Insurance Corporation. At December 31, 2023, Pregnancy Justice's cash and cash equivalent balances on deposit exceeded the federal insurance limits by approximately \$361,000. At December 31, 2022, Pregnancy Justice's cash and cash equivalent balances on deposit exceeded the federal insurance limits by approximately \$276,000.

Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times cash balances may exceed SIPC limits. At December 31, 2023 and 2022, Pregnancy Justice's uninsured investment holdings totaled approximately \$3,915,000 and \$4,093,000.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment or group of investments represents a significant concentration of credit risk.

A concentration of credit risk existed with respect to contributions receivable since amounts received from three donors represented 71% of the total contributions receivable balance at December 31, 2023. During 2022, three donors represented 62% of the total contributions receivable balance at December 31, 2022.

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

4. Contributions Receivable

Contributions receivable consist of the following at December 31:

	2023	2022
Due within		
Less than one year	\$ 768,957	\$ 886,698
One to five years	60,000	-
	\$ 828,957	\$ 886,698

Management determined that any discount would be immaterial and the receivables are fully collectible and no allowance for doubtful accounts has been established.

5. Investments

The following are major categories of investments measured at fair value at December 31:

Description	2023		
	Level 1	Level 2	Total
Equities	\$ 1,032,138	\$ -	\$ 1,032,138
Mutual funds	1,753,106	-	1,753,106
Corporate bonds	-	653,319	653,319
Municipal bonds	-	660,858	660,858
Fixed income	-	315,229	315,229
	\$ 2,785,244	\$ 1,629,406	\$ 4,414,650

Description	2022		
	Level 1	Level 2	Total
Equities	\$ 1,101,410	\$ -	\$ 1,101,410
Mutual funds	1,819,115	-	1,819,115
Corporate bonds	-	696,039	696,039
Municipal bonds	-	327,855	327,855
Fixed income	-	648,811	648,811
	\$ 2,920,525	\$ 1,672,705	\$ 4,593,230

Pregnancy Justice recognizes transfers between levels in the fair value hierarchy on the date of the event or change in circumstances that cause the transfer. There were no transfers between levels for the years ended December 31, 2023 and 2022.

Pregnancy Justice

Notes to Financial Statements December 31, 2023

6. Property and Equipment

Property and equipment consist of the following at December 31:

	Estimated Useful Lives	2023	2022
Furniture and equipment	5-7 yrs.	\$ 275,438	\$ 265,548
Leasehold improvements	7 yrs.	444,285	444,285
		719,723	709,833
Accumulated depreciation		(269,731)	(186,244)
		\$ 449,992	\$ 523,589

During the year ended December 31, 2022, fully depreciated property and equipment of \$190,178 was disposed of.

7. Net Assets With Donor Restrictions

In 2023 and 2022, the activity in the net assets with donor restrictions consists of the following:

Purpose/Restriction	Balance at December 31, 2022	Additions	Net Assets Released	Balance at December 31, 2023
Time restricted general support	\$ 1,927,103	\$ 1,455,340	\$ (2,040,700)	\$ 1,341,743
Abortion and birth justice programs	200,000	510,000	(210,000)	500,000
	\$ 2,127,103	\$ 1,965,340	\$ (2,250,700)	\$ 1,841,743
Purpose/Restriction	Balance at January 1, 2022	Additions	Net Assets Released	Balance at December 31, 2022
Time restricted general support	\$ 1,619,997	\$ 2,250,000	\$ (1,942,894)	\$ 1,927,103
Abortion and birth justice programs	-	200,000	-	200,000
	\$ 1,619,997	\$ 2,450,000	\$ (1,942,894)	\$ 2,127,103

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

8. Commitments and Contingencies

Lease Commitments

Pregnancy Justice signed a lease for a facility which has a lease term from February 1, 2020 through July 31, 2030. Rent and utilities on the statement of functional expenses amounted to \$310,126 and \$308,534 for 2023 and 2022. Rent and utilities for 2023 consisted of \$30,349 related to imputed interest on the lease liabilities, \$254,845 related to amortization on the right-of-use asset and the remainder relates to variable lease expenses of \$24,932 in accordance with lease agreements. Rent and utilities for 2022 consisted of \$34,015 related to imputed interest on the lease liabilities, \$251,179 related to amortization on the right-of-use asset and the remainder relates to variable lease expenses of \$23,340 in accordance with lease agreements.

The right-of-use asset and corresponding liability associated with future lease payments on the above noted lease at December 31 are shown below:

	<u>2023</u>	<u>2022</u>
Right-of-use asset	\$ 1,757,702	\$ 2,012,547
Lease Liability	\$ 1,802,741	\$ 2,038,309

The discount rate on the lease is 1.59% for 2023 and 2022.

ROU asset is net of \$506,024 and \$251,179 accumulated amortization at December 31, 2023 and 2022.

Future minimum rental payments under the lease arrangement are as follows for the years ending December 31:

2024	\$ 272,566
2025	279,380
2026	286,364
2027	293,524
2028	300,862
Thereafter	<u>466,107</u>
Total Future Minimum Lease Payments	1,898,803
Less Imputed Interest	<u>(96,062)</u>
Total Operating Lease Liability	<u>\$ 1,802,741</u>

Supplemental cash flow information related to operating leases was as follows for the year ended December 31:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 265,917	\$ 259,432

Pregnancy Justice

Notes to Financial Statements
December 31, 2023

9. Employee Benefit Plan

Pregnancy Justice maintains a defined contribution 403(b) plan. All employees are eligible to participate and contribute provided they work at least 800 hours in a 12 month period and worked at least 90 days for Pregnancy Justice. Contributions by Pregnancy Justice to the plan on behalf of employees are discretionary and based on the employee's individual compensation. Contributions by Pregnancy Justice to the plan amounted to \$62,249 for the year ended December 31, 2023. Contributions by Pregnancy Justice to the plan amounted to \$58,919 for the year ended December 31, 2022.

10. Liquidity and Availability of Financial Assets

The following reflects Pregnancy Justice's financial assets at December 31, reduced by amounts not available for general use within one year of that date because of contractual or donor-imposed restrictions or internal designations.

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 665,628	\$ 545,982
Contributions receivable	828,957	886,698
Investments	<u>4,414,650</u>	<u>4,593,230</u>
Total Financial Assets	5,909,235	6,025,910
Less: Contractual, internally designated or donor restricted amounts:		
Donor-imposed restrictions beyond one year	<u>853,333</u>	<u>518,333</u>
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 5,055,902</u>	<u>\$ 5,507,577</u>

As part of its liquidity risk management, Pregnancy Justice maintains a cash balance to ensure it is available as its general expenditures, liabilities, and obligations become due within one year. Pregnancy Justice monitors the status and collectability of its contributions receivable on a regular basis. Foundation support and contributions are solicited on a regular basis to increase revenue and support. In addition, Pregnancy Justice's working capital and cash flows have cyclical variations during the year attributable to the cash receipts of contributions and foundation support.

* * * * *