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**BLINDED VETERANS ASSOCIATION**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024**

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**BLINDED VETERANS ASSOCIATION**

**JUNE 30, 2024**

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## INDEPENDENT AUDITORS' REPORT

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To the Board of Directors of  
**Blinded Veterans Association**  
St. Louis, Missouri

### Opinion

We have audited the accompanying financial statements of **Blinded Veterans Association** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, 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 **Blinded Veterans Association** as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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



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**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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**Auditors' Responsibility (Continued)**

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Blinded Veterans Association** 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 **Blinded Veterans Association** 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.

*Kiefer Bonfanti & Co. LLP*

St. Louis, Missouri  
January 31, 2025

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**BLINDED VETERANS ASSOCIATION**

**STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2024**

**Assets**

<b>Current Assets</b>	
Cash and cash equivalents	\$ 126,897
Prepaid expenses and other assets	33,152
<b>Total Current Assets</b>	<b>160,049</b>
<b>Property and Equipment, Net</b>	<b>9,313</b>
<b>Right-of-Use Asset - Operating, Net</b>	<b>228,005</b>
<b>Investments - Board Designated</b>	
Investment fund	12,273,508
Life membership fund	1,191,536
<b>Security Deposit</b>	<b>5,329</b>
<b>Total Assets</b>	<b>\$ 13,867,740</b>

**Liabilities and Net Assets**

<b>Current Liabilities</b>	
Accounts payable and accrued expenses	\$ 71,292
Current portion of lease liability - operating	57,739
Contract liabilities	18,550
<b>Total Current Liabilities</b>	<b>147,581</b>
<b>Long-Term Liabilities</b>	
Lease liability - operating	198,839
<b>Total Liabilities</b>	<b>346,420</b>
<b>Net Assets</b>	
<b>Without Donor Restrictions</b>	
Undesignated	(203,342)
Board designated	13,465,044
<b>Total Without Donor Restrictions</b>	<b>13,261,702</b>
<b>With Donor Restrictions</b>	<b>259,618</b>
<b>Total Net Assets</b>	<b>13,521,320</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 13,867,740</b>

**BLINDED VETERANS ASSOCIATION**

**STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>		<u>With Donor</u>	
	<u>Undesignated</u>	<u>Designated</u>	<u>Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>				
Contributions and grants	\$ 991,572	-	58,349	\$ 1,049,921
Annual convention	136,997	-	-	136,997
<b>Support and Revenue Available</b>	1,128,569	-	58,349	1,186,918
Net assets released from restrictions	14,997	-	(14,997)	-
<b>Total Support and Revenue Without Donor Restrictions</b>	1,143,566	-	43,352	1,186,918
<b>Expenses</b>				
<b>Program Services</b>				
Veterans service program	588,408	-	-	588,408
Annual convention	177,310	-	-	177,310
Education	98,721	-	-	98,721
<b>Total Program Services</b>	864,439	-	-	864,439
<b>Support Services</b>				
Fundraising	324,975	-	-	324,975
Management and general	344,011	-	-	344,011
<b>Total Support Services</b>	668,986	-	-	668,986
<b>Total Expenses</b>	1,533,425	-	-	1,533,425
<b>Change in Net Assets From Operations</b>	(389,859)	-	43,352	(346,507)
<b>Non-Operating Activity</b>				
Interest and dividends, net of fees	-	424,892	-	424,892
Realized loss on investments	-	(695)	-	(695)
Unrealized gain on investments	-	676,027	-	676,027
Apportionment of life membership fund investment income	-	12,693	-	12,693
<b>Change in Non-Operating Activity</b>	-	1,112,917	-	1,112,917
<b>Increase (Decrease) in Net Assets</b>	(389,859)	1,112,917	43,352	766,410
<b>Transfers</b>	56,285	(56,285)	-	-
<b>Net Assets, Beginning of Year</b>	130,232	12,408,412	216,266	12,754,910
<b>Net Assets, End of Year</b>	\$ (203,342)	13,465,044	259,618	\$ 13,521,320

**BLINDED VETERANS ASSOCIATION**

**STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2024**

	Program Services				Supporting Services			Total
	Veterans Service Program	Annual Convention	Education	Total Program Services	Fundraising	Management and General	Total Supporting Services	
Salaries and wages	\$ 416,418	-	50,566	466,984	157,121	164,840	321,961	\$ 788,945
Payroll taxes	32,942	-	3,339	36,281	12,416	13,043	25,459	61,740
Employee benefits	6,137	-	1,193	7,330	1,778	1,924	3,702	11,032
Total salaries and related expenses	455,497	-	55,098	510,595	171,315	179,807	351,122	861,717
Other event expense	1,250	114,822	-	116,072	635	-	635	116,707
Rent and lease	35,012	-	4,252	39,264	13,211	18,748	31,959	71,223
Travel	13,221	26,398	-	39,619	12,078	11,397	23,475	63,094
Direct mail	32,562	-	-	32,562	26,726	-	26,726	59,288
Professional fees	-	-	-	-	30,871	22,148	53,019	53,019
Printing and stationery	-	780	27,133	27,913	2,425	13,626	16,051	43,964
Miscellaneous expense	206	79	-	285	36,606	290	36,896	37,181
Insurance	17,831	-	2,166	19,997	6,728	6,835	13,563	33,560
Financial management and accounting	-	-	-	-	-	31,210	31,210	31,210
Postage and shipping	275	456	88	819	10,814	15,057	25,871	26,690
Merchandise	-	19,683	6,799	26,482	-	-	-	26,482
Repairs and maintenance	10,755	-	1,306	12,061	4,058	6,909	10,967	23,028
Payroll service	-	-	-	-	-	19,661	19,661	19,661
Gifts and awards	-	12,769	-	12,769	-	-	-	12,769
Subscriptions and dues	5,442	-	78	5,520	2,482	4,537	7,019	12,539
Bank charges	150	767	-	917	2,137	7,688	9,825	10,742
Telephone and communications	3,669	-	446	4,115	1,385	1,406	2,791	6,906
Depreciation	3,604	-	438	4,042	1,360	1,381	2,741	6,783
Retirement plan expense	3,102	-	487	3,589	1,391	525	1,916	5,505
Office expense and supplies	3,613	830	207	4,650	60	726	786	5,436
Storage	1,838	-	223	2,061	693	1,412	2,105	4,166
Sponsorship fulfillment	-	726	-	726	-	-	-	726
Building expenses	-	-	-	-	-	648	648	648
Equipment rentals	381	-	-	381	-	-	-	381
<b>Total Expenses</b>	<b>\$ 588,408</b>	<b>177,310</b>	<b>98,721</b>	<b>864,439</b>	<b>324,975</b>	<b>344,011</b>	<b>668,986</b>	<b>\$ 1,533,425</b>
<b>Percentage of Total Expenses</b>	<b>38.4%</b>	<b>11.6%</b>	<b>6.4%</b>	<b>56.4%</b>	<b>21.2%</b>	<b>22.4%</b>	<b>43.6%</b>	<b>100.0%</b>

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**BLINDED VETERANS ASSOCIATION**

**STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2024**

<b>Cash Flows from Operating Activities</b>	
Increase in net assets	\$ 766,410
Adjustments:	
Depreciation	6,783
Realized and unrealized (gain) loss on investments	675,332
(Increase) decrease in assets	
Prepaid expenses and other assets	3,666
Right-of-use asset - operating, net	53,849
Increase (decrease) in liabilities	
Accounts payable and accrued expenses	(29,417)
Lease obligations	(53,816)
Contract liabilities	(50,145)
<b>Net Cash Provided by Operating Activities</b>	<b>1,372,662</b>
<b>Cash Flows from Investing Activities</b>	
Proceeds from sale of investments	9,000
Purchase and reinvestment of investments	(1,740,964)
<b>Net Cash Used by Investing Activities</b>	<b>(1,731,964)</b>
<b>Net Decrease in Cash, Cash Equivalents, and Restricted Cash</b>	<b>(359,302)</b>
<b>Cash, Cash Equivalents, and Restricted Cash, Beginning of Year</b>	<b>486,199</b>
<b>Cash, Cash Equivalents, and Restricted Cash, End of Year</b>	<b>\$ 126,897</b>



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**BLINDED VETERANS ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**ORGANIZATION'S DESCRIPTION**

The **Blinded Veterans Association** (BVA or Organization) was chartered by an act of the U.S. Congress in 1958 to promote the welfare of blinded veterans, strengthen the spirit of fellowship among blinded veterans and further the institutions of American freedom and loyalty to the Constitution and laws of the United States. The Organization is a publicly supported organization and, as such, contributions to the Organization qualify as charitable deductions for tax purposes by the donor. The Organization is primarily supported by donor contributions, bequests, and investment income.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of BVA is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representation of the Organization's management, who is responsible for their integrity and objectivity.

***Method of Accounting***

The Organization uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

***Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Financial Statement Presentation***

The Organization reports its information regarding financial position and activities according to the following net asset classifications:

***Net assets without donor restrictions***

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

***Net assets with donor restrictions***

Net assets subject to stipulation imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The donors of these resources permit the Organization to use all, or part of the income earned, including capital appreciation, on related investments for purposes with or without restrictions. There were no restrictions perpetual in nature at June 30, 2024.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities.

Board-designated net assets are net assets without donor restrictions that are used only for the specific purpose by Board resolution (See Note 9).

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**BLINDED VETERANS ASSOCIATION**

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Notes to Financial Statements (Continued)

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Measure of Operations***

The Statement of Activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing services. Non-operating activities are limited to resources that generate return from other activities considered to be of a more unusual or nonrecurring nature.

***Cash and Cash Equivalents***

The Organization maintains cash balances at various financial institutions which, at times, may exceed federally insured limits. The Organization has not experienced any losses related to these accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents. The Organization considers highly liquid investments, except for cash and money market funds held in brokerage accounts designated by the Board of Directors purchased with an original maturity of three months or less to be cash equivalents.

***Investments***

Investments in marketable securities with readily determinable fair values and investments in debt securities are reported at estimated fair value. Purchases and sales of securities are recorded on a trade-date basis. Investment income, including realized and unrealized gains and losses, is reported in the Statement of Activities as increases or decreases in net assets without restrictions, unless otherwise restricted by the donor or by law. Interest and dividends are recorded when earned.

The Organization's investments are comprised of a variety of financial instruments and are managed by investment advisor. The fair values reported are subject to various risks including changes in equity markets, the interest rate, and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonable possible that the amounts reported could change materially in the near term.

***Property and Equipment***

Property and equipment are recorded at cost as of the date of acquisition. The Organization capitalizes all property and equipment with a purchase price or fair value of \$2,000 or more. Depreciation is computed on a straight-line method over the estimated useful lives of the assets. Repairs and maintenance costs are charged to expense as incurred. At the time properties are retired or otherwise disposed of, the property and related accumulated depreciation or amortization accounts are relieved of the applicable amounts and any gain or loss is credited or charged to income.

***Contract Liabilities***

Contract liabilities consist primarily of advance payments received for sponsorship of event occurring in the next fiscal year. The Organization records revenue for the events when the event occurs.

***Contribution and Promises to Give***

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

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**BLINDED VETERANS ASSOCIATION**

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Notes to Financial Statements (Continued)

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Contribution and Promises to Give (continued)***

However, if the restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as net assets without donor restrictions.

All promises to give are expected to be collected within one year. The Organization uses the allowance method to determine uncollectible unconditional promises to give and is based on prior years' experience and management's analysis of specific promises made. As of June 30, 2024, there were no promises to give.

Effective July 1, 2023, the Organization adopted Accounting Standards Update No. 2016-13 – Financial Instruments – Credit Losses (Topic 326), which replaces the incurred methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The Organization completed its evaluation of the impact of adopting ASU 2016-13 using the modified retrospective approach and it was determined that the new standard did not have a significant impact to the financial statements and an adjustment was not required.

***Contributed Services***

Donated professional services meeting the criteria for recognition as contributed services are reflected in the financial statements at estimated fair value. The Organization also receives contributed services in various capacities from volunteers to help accomplish its program objectives. The estimated value of these donated, nonprofessional services is not reflected in the financial statements as the services do not meet the criteria for recognition as contributed services.

***Revenue Recognition***

Fundraising revenue consists primarily of contributions from direct mail activities and is recorded at a point in time when contributions are received.

Unconditional promises to give are recognized as revenue in the period the promise to give is received. Grant revenue for unconditional grants is recognized in the period the grant is received. Bequests are recorded as revenue at a point in time when the bequest is determined to be irrevocable and the amount to be received can be reasonably determined.

The Organization holds an annual conference and other events and collects registration fees, sponsorship fees, and other income associated with the events. Revenue is recorded at a point in time when the event occurs.

Life member dues are recorded at the amount that reflects consideration the Organization expects to receive in exchange for the goods and services provided. Dues are invoiced on a fiscal year basis and member benefits are provided continuously over the course of the year. As a result, revenue is recognized on a straight-line basis over the one-year membership period as performance obligations are fulfilled.

***Disaggregation of Revenue***

The Organization recognized revenue over time or at a point in time based on the performance obligation of each contract. Substantially all members are in the United States. Revenue for each source is typically collected within 90 days, although various economic factors may affect revenue and cash flows.

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**BLINDED VETERANS ASSOCIATION**

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Notes to Financial Statements (Continued)

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Functional Expenses***

The costs of program and supporting services activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses present the natural classification detail of expenses by function. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on estimates made by management.

***Income Taxes***

The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. As a result, the Organization is not subject to federal income taxes, except for taxes on unrelated business income. There was no unrelated business net income for the year ended June 30, 2024.

Financial accounting standards for uncertain tax positions prohibit financial statement recognition of the impact of a tax position if the position is not “more likely than not” to be sustained on audit, based on the technical merits of the position. The Organization’s federal Form 990s remain subject to examination by taxing authorities, generally for three years after they have been filed. As of January 31, 2025, no returns have been selected for examination.

***Subsequent Events***

The Organization has evaluated subsequent events through January 31, 2025, the date which the financial statements were available to be issued, for possible recognition or disclosure.

**NOTE 2 AVAILABILITY AND LIQUIDITY**

The Organization’s financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

<b>Financial assets at year end:</b>	
Cash and cash equivalents	\$ 126,897
Investments	13,465,044
<b>Total financial assets</b>	<b>13,591,941</b>
<b>Less amounts not available to be used within one year:</b>	
Net assets with donor restrictions	259,618
Board designated	13,465,044
Less net assets with time and purpose restrictions to be met in less than one year	(233,002)
<b>Total amounts not available to be used within one year</b>	<b>13,491,660</b>
<b>Financial assets available to meet general expenditures over the next twelve months</b>	<b>\$ 100,281</b>

The Organization’s investments consist of board-designated investments. The use of these assets is limited to the spending policy for which they were designated and may be available for general expenditure (see Note 9). Upon approval of the board, the Organization may utilize the investment funds in excess of the spending policy. Accordingly, these investments may become available for general expenditure.

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## BLINDED VETERANS ASSOCIATION

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### Notes to Financial Statements (Continued)

#### **NOTE 2 AVAILABILITY AND LIQUIDITY (CONTINUED)**

As part of BVA's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Organization invests cash in-excess of daily requirements in short-term investments. Although the Organization does not intend to spend from the investment fund other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its investment fund could be made available, if necessary, with the approval from the Board of Directors.

#### **NOTE 3 INVESTMENTS**

The following represents the significant concentrations held within the investment assets at June 30, 2024:

Vanguard S&P 500	\$ 1,620,421
Invesco Prem US Govt Mny Inst	1,517,137
JP Morgan Ultra-Short Income	2,515,930

The Organization continually reviews its investment portfolios and evaluates whether declines in the fair value of securities should be considered other-than-temporary. Management considers in the evaluation the general market conditions, the issuer's financial condition and near-term prospects, conditions in the issuer's industry, the recommendation of investment advisors, the length of time and extent to which the market's value has been less than cost, and the ability and intent of the Organization to hold investments in the long term.

#### **NOTE 4 FAIR VALUE MEASUREMENTS**

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under the standards are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2: Inputs to the valuation methodology include:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3: Inputs to the valuation methodology are significant unobservable inputs.

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**BLINDED VETERANS ASSOCIATION**

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Notes to Financial Statements (Continued)

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for investments measured at fair value and their classification in the valuation hierarchy:

- *Exchange traded funds (ETFs) and common stock* are valued at the closing price reported in the active markets in which the common stocks and ETFs are traded. Such securities are classified within Level 1 of the valuation hierarchy.
- *Mutual funds* are valued at net asset value, reported daily in the active exchanges, of shares held by the Organization at year-end. Such securities are classified within Level 1 of the valuation hierarchy.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2024:

		<b>Fair Value Measurements Using</b>		
	<b>Total</b>	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>
Common stocks	\$ 8,090	8,090	-	\$ -
Exchange traded funds	9,187,940	9,187,940	-	-
Mutual funds	4,040,155	4,040,155	-	-
<b>Total Investments at Fair Value</b>	<b>\$ 13,236,186</b>	<b>13,236,186</b>	<b>-</b>	<b>\$ -</b>

Cash and cash equivalents of \$228,858 as of June 30, 2024, which are included in investments in the Statement of Financial Position have been excluded from the table of investments at fair value because they are not considered recurring fair value measurements.

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at June 30, 2024:

Furniture and equipment	<b>\$ 34,683</b>
Less accumulated depreciation	<b>(25,370)</b>
<b>Property and Equipment, Net</b>	<b>\$ 9,313</b>

Depreciation expense was \$6,783 for the year ended June 30, 2024.

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**BLINDED VETERANS ASSOCIATION**

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Notes to Financial Statements (Continued)

**NOTE 6 OPERATING LEASES**

The Organization's current lease agreement, commencing January 1, 2023 and continuing through June 30, 2028, contains a provision for increasing the annual rent based on increased costs for real estate taxes paid and operating services. In accordance with the lease agreement, the Organization was not required to make rent payments for the first six months of the lease. Rental payments are recognized as expense on a straight-line basis over the term of the lease. Rent expense for the year ended June 30, 2024, was approximately \$71,000.

Effective January 1, 2023, the Organization adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, Leases (Topic 842). As a result of the adoption of the new lease accounting guidance, the Organization recognized a lease liability for operating leases of \$304,485, which represents the present value of the remaining base lease payments of \$342,481, discounted using the weighted-average discount rate of 3.85%, and a right-of-use asset of \$304,485. Base lease payments were \$64,831, for the year ended June 30, 2024.

The following is a maturity analysis of the undiscounted cash flows of the operating lease liabilities as follows:

<b>Years Ending June 30,</b>	
2025	66,614
2026	68,446
2027	70,328
2028	72,262
<b><u>Future Minimum Lease Payments</u></b>	<b><u>\$ 277,650</u></b>

**NOTE 7 EMPLOYEE BENEFIT PLAN**

The Organization participates in a tax deferred plan for the benefit of its employees under Section 401(k) of the Internal Revenue Code. The Organization provides a matching contribution equal to 25% of participating employee contributions with a maximum of 4% of annual salary. The retirement expense for the year ended June 30, 2024, was \$5,505.

**NOTE 8 RELATED PARTIES**

The Organization and various regional groups are related as the Organization has the authority to issue, revoke, and amend their charters. The Organization collects and remits a portion of the annual dues collected from members and the entire portion of designated investment earnings from life dues to the regional groups.

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**BLINDED VETERANS ASSOCIATION**

Notes to Financial Statements (Continued)

**NOTE 9 NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED**

The Board designated programs are as follows:

***Investment Fund***

Established for the purpose of investing specifically designated funds of the Organization. The Board determines the amount of the funds to be invested and has established a cash reserve requirement equal to, at a minimum, the current year's operating budget. At June 30, 2024, the investment fund balance was \$12,273,508.

***Life Membership Fund***

Life membership dues paid to the Organization are placed in the Life Membership Fund. Net earnings are divided among the various regional groups in good standing. At June 30, 2024, apportionment of net earnings and life membership dues refunds to regional groups was \$12,693 and the life membership fund balance was \$1,191,536.

**NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions of \$259,618 are restricted for purpose at June 30, 2024.