

THE AMERICAN GERIATRICS SOCIETY, INC.

Audited Financial Statements

December 31, 2024

The American Geriatrics Society, Inc

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Independent Auditor's Report

To the Board of Directors of
The American Geriatrics Society, Inc.

Opinion

We have audited the financial statements of The American Geriatrics Society, Inc. (the "Society"), which comprise the statements of financial position as of December 31, 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 December 31, 2024, 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). 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 within one year after the date that the financial statements are issued or 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 GAAS and *Government 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 judgement 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 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 Summarized Comparative Information

The financial statements of the Society as of and for the year ended December 31, 2023, were audited by other auditors whose report dated September 26, 2024, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects with the audited financial statements from which it was derived.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information such as the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the identify accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2025, on our consideration of the Society's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Society's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control over financial reporting and compliance.

RLN US LLP

New York, NY
June 3, 2025

THE AMERICAN GERIATRICS SOCIETY, INC.
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024
(With comparative totals as at December 31, 2023)

	December 31,	
	2024	2023
Assets		
Cash and cash equivalents	\$ 554,078	\$ 632,480
Investments	11,476,969	9,787,430
Government grants receivable	376,015	309,788
Contributions receivable	180,329	22,474
Other receivables	673,025	421,863
Due from affiliate	10,500	10,972
Prepaid expenses and other assets	363,195	313,074
Property and equipment, net	125,365	201,760
Operating lease right-of-use asset	968,885	1,157,467
Total assets	\$ 14,728,361	\$ 12,857,308
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 535,425	\$ 418,342
Deferred membership dues	989,095	1,008,201
Deferred revenue	217,266	67,710
Grant advances	20,000	1,141,826
Operating lease liability	1,105,444	1,299,238
Total liabilities	\$ 2,867,230	\$ 3,935,317
Net assets		
Without donor restrictions	11,861,131	8,921,991
Total net assets without donor restrictions	11,861,131	8,921,991
Total liabilities and net assets	\$ 14,728,361	\$ 12,857,308

THE AMERICAN GERIATRICS SOCIETY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With comparative totals for the year ended December 31, 2023)

	Total 12/31/24	Total 12/31/23
WITHOUT DONOR RESTRICTIONS		
PUBLIC SUPPORT AND REVENUE:		
Membership	\$ 1,646,026	\$ 1,737,258
Annual meeting	1,254,777	1,609,847
Geriatric training materials - sales and publications	880,126	1,007,976
Program royalty and editorial office stipend	2,358,676	1,686,306
Contributions and grants for special projects	1,344,588	1,106,738
Government grants	2,008,607	1,249,290
Other program fees	52,700	105,790
Interest and dividends	369,013	236,650
Administrative fees	16,208	18,476
Other income	7,468	10,205
Total revenues	\$ 9,938,189	\$ 8,768,536
FUNCTIONAL EXPENSES:		
Program services:		
Member services	\$ 672,872	\$ 531,757
Annual meeting	687,498	1,325,176
Geriatric training materials	786,500	778,695
Publications	506,232	681,753
Grants and special projects	3,138,418	2,519,694
Geriatrics co-management (CoCare)	220,392	203,892
Public affairs, outreach and education	883,155	833,089
Total program services	\$ 6,895,067	\$ 6,874,056
Supporting services:		
General and administration	\$ 517,800	\$ 700,766
Fundraising	182,139	157,233
Total supporting services	699,939	857,999
Total expenses	\$ 7,595,006	\$ 7,732,055
Change in net assets from operations	\$ 2,343,183	\$ 1,036,481
NON-OPERATING ACTIVITIES		
Investment return	595,957	943,675
Total non-operating activities	595,957	943,675
Change in net assets	\$ 2,939,140	\$ 1,980,156
NET ASSETS, <i>beginning of year</i>	8,921,991	6,941,835
NET ASSETS, <i>end of year</i>	\$ 11,861,131	\$ 8,921,991

THE AMERICAN GERIATRICS SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With comparative totals for the year ended December 31, 2023)

	Program Services								Supporting Services				
	Member Services	Annual Meeting	Geriatric Training Materials	Publications	Grants and Special Projects	Geriatrics Co-Management (CoCare)	Public Affairs, Outreach and Administration	Total Program Services	General and Administration	Fundraising	Total Supporting Services	Total Expenses 12/31/24	Total Expenses 12/31/2023
Salaries	\$ 316,818	\$ 361,789	\$ 221,065	\$ 76,047	\$ 651,069	\$ 124,555	\$ 305,955	\$ 2,057,298	\$ 345,620	\$ 123,544	\$ 469,164	\$ 2,526,462	\$ 2,416,918
Payroll taxes	25,551	23,992	18,080	5,447	47,266	9,352	21,376	151,064	20,620	7,705	28,325	179,389	172,515
Employee benefits	56,214	52,784	39,775	11,984	103,992	20,578	47,030	332,357	44,920	16,951	61,871	394,228	337,865
Insurance	8,504	7,985	6,017	1,813	15,732	3,113	7,115	50,279	6,793	2,564	9,357	59,636	84,020
Professional fees	23,403	21,974	17,774	6,451	44,193	8,567	19,578	141,940	18,692	7,056	25,748	167,688	88,908
Consultants	9,837	50,397	58,759	184,289	30,265	22,213	317,444	673,204	5,215	2,208	7,423	680,627	806,828
Office and program supplies	2,444	1,819	760	214	2,136	368	2,148	9,889	838	303	1,141	11,030	123,011
Telephone	1,609	1,511	1,157	343	2,985	589	1,346	9,540	1,285	485	1,770	11,310	59,755
Postage	5,686	2,759	2,088	626	11,804	1,076	2,459	26,498	2,347	886	3,233	29,731	21,795
Rent	30,533	28,670	21,604	6,509	56,483	11,177	25,544	180,520	24,388	9,207	33,595	214,115	211,455
Utilities	4,985	4,681	3,527	1,063	9,221	1,824	4,171	29,472	3,981	1,503	5,484	34,956	17,111
Equipment rental	1,523	1,430	1,078	325	2,817	557	1,274	9,004	1,216	459	1,675	10,679	13,028
Printing and publications	15,480	4,245	162,569	18,406	11,930	847	1,458	214,935	1,291	487	1,778	216,713	418,844
Web development	68,503	8,046	143,336	2,313	24,726	7,209	18,235	272,368	8,294	2,863	11,157	283,525	315,812
Conferences and meetings	8,071	53,287	16,203	957	248,774	45	50,082	377,419	15,200	36	15,236	392,655	945,849
Accreditation and other fees	-	9,683	3,500	-	-	-	7,500	20,683	-	-	-	20,683	89,758
Grants/awards/honoraria	6,500	4,500	12,000	185,000	1,823,263	-	-	2,031,263	-	-	-	2,031,263	1,304,130
Promotions/public relations	34,831	3,627	476	90	2,893	329	353	42,599	337	127	464	43,063	46,682
Staff recruitment and development	-	-	-	-	-	-	-	-	-	-	-	-	1,300
Bank charges	36,213	29,362	11,745	979	8,809	1,957	3,915	92,979	3,915	979	4,894	97,873	108,857
Depreciation	10,894	10,229	7,708	2,322	20,153	3,988	9,114	64,408	8,701	3,285	11,986	76,394	75,594
Miscellaneous	5,274	4,728	37,279	1,054	19,907	2,048	37,058	107,347	4,147	1,491	5,638	112,985	72,020
Total Expenses	\$ 672,873	\$ 687,498	\$ 786,500	\$ 506,232	\$ 3,138,418	\$ 220,392	\$ 883,155	\$ 6,895,066	\$ 517,800	\$ 182,139	\$ 699,939	\$ 7,595,005	\$ 7,732,055

THE AMERICAN GERIATRICS SOCIETY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(With comparative totals for the year ended December 31, 2023)

	December 31,	
	2024	2023
Cash flows from operating activities:		
Changes in net assets	\$ 2,939,140	\$ 1,980,156
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	76,394	75,594
Realized and unrealized (gain)/loss on investments	(630,718)	(972,410)
Changes in assets and liabilities:		
Government grants receivable	(66,227)	(127,444)
Contributions receivable	(157,855)	(11,137)
Other receivables	(251,162)	(44,374)
Due from affiliate	472	2,390
Prepaid expenses and other assets	(50,120)	117,835
Operating lease assets and liabilities	(5,212)	86
Accounts payable and accrued expenses	117,083	13,737
Deferred membership dues	(19,106)	(59,135)
Deferred revenue	149,556	(60,035)
Grant advances	(1,121,826)	(306,858)
Total adjustments	(1,970,678)	(1,371,751)
Net cash flows provided by operating activities	\$ 980,419	\$ 608,405
Cash flows from investing activities:		
Purchase of investments	\$ (8,404,769)	\$ (6,813,216)
Proceeds from sale of investments	7,345,948	6,015,000
Purchases of property and equipment	-	-
Net cash flows used for investing activities	\$ (1,058,821)	\$ (798,216)
Net decrease in cash and cash equivalents	(78,402)	(189,811)
Cash and cash equivalents - beginning of year	632,480	822,291
Cash and cash equivalents - end of year	\$ 554,078	\$ 632,480
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid during the year for interest	-	-

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

Note 1 - Summary of Significant Accounting Policies

Founded in 1942, the American Geriatrics Society (AGS) is a nationwide, not-for-profit society of geriatrics healthcare professionals dedicated to improving the health, independence, and quality of life of older people. Our 6,000+ members include geriatricians, geriatrics nurse practitioners, social workers, family practitioners, physician associates, pharmacists, and internists who are pioneers in serious illness care for older individuals, with a focus on championing interprofessional teams, eliciting personal care goals, and treating older people as whole persons. AGS is an anti-discriminatory organization. We believe in a society where we all are supported by and able to contribute to communities where ageism, ableism, classism, homophobia, racism, sexism, xenophobia, and other forms of bias and discrimination no longer impact healthcare access, quality, and outcomes for older adults and their caregivers. AGS advocates for policies and programs that support the health, independence, and quality of life of all of us as we age.

AGS works across patient care, research, professional and public education, and public policy to improve the health, independence, and quality of life of all older people.

The following are the major programs of the Society:

- Member Services - AGS memberships provide healthcare professionals with the ability to keep abreast of clinical innovations, new research, and policy initiatives.
- Annual Meeting - Held annually, the AGS Annual Scientific Meeting provides the latest information on geriatric care delivery.
- Geriatrics Training Materials - AGS training materials give clinicians access to the latest expert- authored information in geriatrics.
- Publications - AGS published journals are a resource to clinicians by providing research about common diseases and disorders of older adults.
- Grants and Special Projects - AGS projects supported by foundation grants, government grants and contracts that support older adults, caregivers, and geriatrics healthcare professionals.
- CoCare - The CoCare portfolio provides institutions with resources to help support the implementation of its evidence-based care delivery models by providing access to AGS resources.
- Public Affairs, Outreach and Education - AGS works as a leader and with our partners to shape programs and policies that are important to older people, their families, and healthcare professionals.

The Society has been notified by the Internal Revenue Service that it is exempt from Federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws. The Society has not been designated as a private foundation.

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

Note 1 - Summary of Significant Accounting Policies – Continued

a. Basis of Accounting

The financial statements of the Society have been prepared on the accrual basis of accounting, which is the process of recording revenue and expenses when earned or incurred, rather than received or paid.

b. Basis of Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958 Presentation of Financial Statements of Not-For-Profit Entities. FASB ASC 958 requires the Society to report information regarding its financial position and activities according to the following specific classes of net assets:

- Net Assets Without Donor Restrictions - accounts for activity without donor-imposed restrictions. Contributions with time and/or purpose restrictions that are fully expended in the same period they are received are classified as unrestricted. Under this category, the Society maintains net assets designated by the Board for specific purposes in the amount of \$4,086,562. See Note 13 for details.
- Net Assets With Donor Restrictions - relates to activity based on specific donor restrictions that are expected to be satisfied by the passage of time or performance of activities.

c. Revenue Recognition

The Society follows the requirements of FASB ASC 606 for recognizing revenue from contracts with customers. Membership, annual meeting revenue, publications and geriatric training materials revenue, and program royalty and editorial office income all fall under FASB ASC 606. The Society analyzes each source of revenue to determine that it has a contract with the customer that identifies both the performance obligation and the transaction price. Revenue is recognized when the performance obligation is complete.

The Society offers memberships of various categories that typically last for a term of one or two years. Membership dues are recognized as the performance obligation is satisfied, which typically coincides with the term of the membership. Payments are received at the beginning of the membership term. Payments related to membership terms that continue into future fiscal years are recognized as deferred membership dues.

For annual meeting revenue, the performance obligation is considered to be met at the date the annual meeting has taken place. Fees not collected at the time of the meeting are reflected as receivables at the amount expected to be collected, and fees collected in advance are recognized as deferred revenue.

Revenue from publications and geriatric training materials are recognized when the sales take place and products are delivered to customers.

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

Note 1 - Summary of Significant Accounting Policies - Continued

c. Revenue Recognition (continued)

The Society receives royalty income in exchange for a right to access the Society's intellectual property. Royalty income is recognized as the performance obligation is satisfied over the course of the contract.

Editorial income is recognized in exchange for the Society's delivery of editorial content on an annual basis. Royalty and editorial income not collected at year end is recognized as other receivables.

The Society follows FASB ASC 958-605 for recording contributions, which are recognized at the time a contribution becomes unconditional in nature. Contributions that do not contain donor restrictions are recorded in the class of net assets without donor restrictions. Contributions that contain donor restrictions are recorded in the class of net assets with donor restrictions. 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. If donor restricted contributions are satisfied in the same period they were received, they are classified in the class of net assets without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met. Payments received in advance of these conditions being met are recorded as grant advances.

The Society's government grants have been evaluated and are considered to be non-reciprocal; therefore, they are also treated as contributions under FASB ASC 958-605. In addition, government grants meet the criteria of being conditional. Revenue from these transactions is recognized when qualifying expenditure is incurred, performance-related outcomes are achieved and other conditions under the agreements are met.

Contributions and government grants receivable that are expected to be received within one year are recorded at net realizable value. Long-term receivables are recorded at fair value using a risk adjusted discount rate.

All receivables are assessed for collectability. Financial assets, which potentially subject the Society to credit losses, consist primarily of royalty income and geriatric product sales income receivable, reflected as other receivables on the statement of financial position. Expected losses are recorded to an allowance for credit losses valuation account that is net against the corresponding asset to present the net amount expected to be collected on the financial asset. The credit loss allowance is determined through analysis of the financial assets and assessments of risk that are based on historical trends and evaluation of the impact of current and projected economic conditions. Based on the analysis performed on the open accounts receivable aging and detail analysis of the customers, the Society did not record an allowance for bad debt as of December 31, 2024.

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

Note 1 - Summary of Significant Accounting Policies - Continued

d. 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 Society's ongoing services, interest and dividends earned on investments and amounts released by the board into operations from the sale of geriatric training materials. Non-operating activities are limited to resources that generate return from investments and gain on sales of geriatric training materials (See Note 11).

e. Cash and Cash Equivalents

The Society considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

f. Concentration of Credit Risk

Financial instruments, which potentially subject the Society to a concentration of credit risk, consist of cash, money market accounts and investment securities which have been placed with financial institutions that management deems to be creditworthy. Accounts are insured up to certain levels by the Federal government. At year end and at certain times throughout the year, the Society had material uninsured balances; however, they have not suffered any losses due to the failure of any of these institutions. Investments are subject to fluctuation in market value and principal is not guaranteed. Management believes the allocation of investments presents suitable risk for long-term goals.

g. Investments

Investments are reflected at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses, net of investment fees, are included in the income on the statement of activities.

h. Fixed Assets

Fixed assets that exceed \$5,000 to which the Society retains title, and which benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation and are depreciated over the estimated useful life or applicable lease terms using the straight-line method with a one-half year convention.

i. Leases

The Society determines if an arrangement is or contains a lease at inception. Leases are included in ROU assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

Note 1 - Summary of Significant Accounting Policies – Continued

i. Leases (continued)

recognized on a straight-line basis over the lease term. The Society does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less).

Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Society will exercise that option.

j. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The following expenses were allocated using time and effort as the basis:

- Salaries, payroll taxes and employee benefits
- Insurance
- Office and program supplies
- Telephone
- Postage
- Rent and utilities
- Equipment rental
- Depreciation

All other expenses have been charged directly to the applicable program or supporting services.

k. Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

l. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

m. Accounting for Uncertainty of Income Taxes

The Society does not believe its financial statements include any material uncertain tax positions. Tax filings for periods ending on or after December 31, 2021, remain subject to examination by the applicable taxing authorities.

Note 2 - Investments

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Society has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments are summarized as follows:

	December 31, 2024		
	Level 1	Level 2	Total
Certificates of deposit	\$ -	\$ 50,611	\$ 50,611
Mutual funds:			
U.S. small cap funds	\$ 696,696	\$ -	\$ 696,696
U.S. mid cap funds	745,218	-	745,218
U.S. growth funds	1,518,510	-	1,518,510
U.S. investor class	2,076,565	-	2,076,565
Government treasury bills	3,155,906	-	3,155,906
Agency bonds	-	258,506	258,506
Municipal bonds	-	156,969	156,969
Corporate bonds - large cap	-	2,817,988	2,817,988
Total	<u>\$ 8,192,895</u>	<u>\$ 3,284,074</u>	<u>\$ 11,476,969</u>

THE AMERICAN GERIATRICS SOCIETY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024

	December 31, 2023		
	Level 1	Level 2	Total
Mutual funds:			
U.S. small cap funds	\$ 668,770	\$ -	\$ 668,770
U.S. mid cap funds	691,134	-	691,134
U.S. growth funds	1,246,838	-	1,246,838
U.S. investor class	1,963,536	-	1,963,536
Government treasury bills	2,442,409	-	2,442,409
Municipal bonds	-	211,190	211,190
Corporate bonds - large cap	-	2,563,553	2,563,553
Total	<u>\$ 7,012,687</u>	<u>\$ 2,774,743</u>	<u>\$ 9,787,430</u>

The Society had no level 3 investments at December 31, 2024, or 2023.

Note 2 – Investments (continued)

Investment return consists of the following:

	December 31,	
	2024	2023
Realized and unrealized gain/(loss) on investments	\$ 630,718	\$ 972,410
Investment fees	(34,761)	(28,735)
Total	<u>\$ 595,957</u>	<u>\$ 943,675</u>

Note 3 - Related Party Transactions

The Society administers The Health In Aging Foundation (“HIAF”), a not-for-profit organization with common board members. While the Society does not control HIAF, it manages grants for HIAF and charges administrative fees. At December 31, 2024, the Society had outstanding amounts due from HIAF totaling \$10,500. At December 31, 2023, the Society had outstanding amounts due from HIAF totaling \$10,972.

Note 4 - Property and Equipment

Property and equipment consist of:

	December 31,	
	2024	2023
Leasehold improvements (life of lease)	\$ 91,939	\$ 91,939
Computer software and equipment (5-7 years)	259,684	259,684
	351,623	351,623
Less: accumulated depreciation	(226,258)	(149,863)
Total property and equipment, net	<u>\$ 125,365</u>	<u>\$ 201,760</u>

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Note 5 - Operating Lease Right-of-Use Asset and Operating Lease Liability

The Society evaluated current contracts to determine which met the criteria of a lease. The Society leases office space in New York, NY, under an agreement that began on February 1, 2022, that runs through October 29, 2029, which was determined to be an operating lease. The ROU assets represent the Society's right to use the underlying asset for the lease term, and the lease liabilities represent the Society's obligation to make lease payments arising from this lease. The ROU assets and lease liabilities were calculated based on the present value of future lease payments over the lease terms. The Society has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of December 31, 2024, and 2023 is 1.93%. The weighted average-lease term as of December 31, 2024, and 2023 is 4.83 and 5.83 years, respectively.

The lease term does not include any extension options.

For the years ended December 31, 2024, and 2023, the total operating lease cost was \$212,002 and \$212,002, respectively. There were no short-term lease costs during either year.

Cash paid for operating leases for the years ended December 31, 2024 and 2023 was \$217,214 and \$211,916, respectively. There were no non-cash investing and financing transactions related to leasing.

The future payments due under the operating lease as of December 31, 2024 are as follows:

Year ending:	December 31, 2025	222,645
	December 31, 2026	232,423
	December 31, 2027	250,869
	December 31, 2028	257,141
Thereafter		<u>196,449</u>
Total		1,159,527
Less Present value discount		<u>(54,083)</u>
Total lease liability at December 31, 2024		<u>\$ 1,105,444</u>

Note 6 - Grant Advances

Grant advances consisted of the following:

	December 31,	
	2024	2023
Section for Enhancing Geriatric Understanding	\$ -	\$ 466,394
Geriatric Emergency Department Collaborative	-	35,997
Geriatrics Workforce Enhancement Program	-	442,130
NIH Resilience Conference Series	-	14,978
EWA	-	152,327
Other	20,000	30,000
Total grant advances and deferred revenue	<u>\$ 20,000</u>	<u>\$ 1,141,826</u>

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Note 7 - Membership Classes

Society membership dues are as follows:

Physician member	\$ 470
Health care professional	\$ 322
Early career professional	\$ 195
Fellow	\$ 130
Emeritus/retired	\$ 95
Resident	Free
Student	Free
Recognized	\$ 234
Allied specialist	\$ 225
Associate	\$ 200

Note 8 - Commitments and Contingencies

In the normal course of business, legal actions occur. Based on advice of legal counsel, management does not believe any exposure to legal matters will have a material impact on the financial statements and has not recorded liabilities within the accompanying financial statements.

Note 9 - Line of Credit

The Society has a revolving line of credit in the amount of \$500,000 with a variable interest rate which on December 31, 2024, was 9.50% and December 31, 2023, was 8.25%. There was no outstanding balance due as of December 31, 2024, and December 31, 2023. The line of credit must be renewed annually, it expires on July 9, 2025.

Note 10 - Employee Benefit Plan

The Society sponsors a tax-deferred annuity plan that is qualified under Section 403(b) of the Internal Revenue Code. The plan covers full-time and qualified part-time employees of the Society. Employees may make contributions to the plan up to the maximum allowed by the Internal Revenue Code. The Society contributes 5% of the employees' salary to the plan upon their completion of one year of employment. Total contributions made by the Society were \$124,691 and \$114,082 during 2024, and 2023, respectively.

Note 11 - Geriatric Training Materials - Gain on Sale

During the year ended December 31, 2020, the Society sold its rights and interests to certain educational materials and intellectual property to a third party for \$608,000. The remaining balance due to the Society was \$243,200 and \$304,000, at December 31, 2024, and 2023, respectively. This is included in other receivables in the statement of financial position. The remaining payments are to be collected as follows:

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Year ending:

December 31, 2025	\$ 60,800
December 31, 2026	60,800
December 31, 2027	60,800
December 31, 2028	<u>60,800</u>
Total	<u>\$ 243,200</u>

Note 12 - Liquidity and Availability of Financial Resources

The following reflects the Society's financial assets as of December 31, 2024, reduced by amounts that have donor-imposed or board-designated restrictions within one year of the statement of financial position date:

Cash and cash equivalents	\$ 554,078	
Investments	11,476,969	
Grants receivable	376,015	
Other receivables - due within one year	610,154	
Due from affiliate	<u>10,500</u>	
Total financial assets		\$ 13,027,716
Less amounts not available to be used within one year:		
Restricted by board designations		<u>(4,086,562)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 8,941,154</u>

As part of its liquidity management, the Society operates its programs within a balanced budget and maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. Cash in excess of these requirements consists of investments in certificates of deposit, mutual funds, treasury bills, and corporate bonds. Additionally, the Society maintains a \$500,000 line of credit.

Note 13 - Net Assets Without Donor Restrictions Board Designated

The Society's Board of Directors has internally designated certain net assets without donor restrictions for the following funds or purposes as follows:

	December 31, 2024			
	Balance 1/1/24	Transfers In	Transfers Out	Balance 12/31/24
Wiley Fund	1,924,588	\$ 1,000,000	\$ -	\$ 2,924,588
Operating Reserve	714,815	101,032	(60,800)	755,047
ADGAP	322,587	84,341	-	406,928
Total	<u>\$ 2,961,990</u>	<u>\$ 1,185,372</u>	<u>\$ (60,800)</u>	<u>\$ 4,086,562</u>

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	December 31, 2023			
	Balance 1/1/23	Transfers In	Transfers Out	Balance 12/31/23
Wiley Fund	\$ 1,624,588	\$ 300,000	\$ -	\$ 1,924,588
Operating Reserve	579,252	196,363	(60,800)	714,815
ADGAP	281,526	41,061	-	322,587
Total	<u>\$ 2,485,366</u>	<u>\$ 537,424</u>	<u>\$ (60,800)</u>	<u>\$ 2,961,990</u>

Note 14 - Subsequent Events

Subsequent events have been evaluated through June 3, 2025, the date the financial statements were available to be issued. Adjustments and disclosures have been made for all subsequent events that have occurred.