

CENTER FOR SCIENCE IN THE PUBLIC INTEREST
CONSOLIDATED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
JUNE 30, 2023 AND 2022



Strategic, Smart and **Wonderfully Human**

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

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Independent Auditors' Report

To the Board of Directors of
Center for Science in the Public Interest
Washington, DC

Opinion

We have audited the consolidated financial statements of Center for Science in the Public Interest, which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Center for Science in the Public Interest as of June 30, 2023 and 2022, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Center for Science in the Public Interest 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 the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Science in the Public Interest's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 Center for Science in the Public Interest'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Science in the Public Interest'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.

A handwritten signature in black ink that reads "Matthew, Carter and Boye". The signature is written in a cursive, flowing style.

Fairfax, Virginia
April 30, 2024

CENTER FOR SCIENCE IN THE PUBLIC INTEREST
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2023 AND 2022

ASSETS	<u>2023</u>	<u>2022</u>	LIABILITIES AND NET ASSETS	<u>2023</u>	<u>2022</u>
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and cash equivalents	\$ 9,682,746	\$ 5,852,587	Accounts payable	\$ 473,248	\$ 391,198
Investments - current portion:			Accrued payroll and leave	1,122,347	1,148,321
Certificates of deposit, current portion	5,865,821	4,471,625	Subgrant liability	398,753	491,570
U.S. agency securities, current portion	1,481,417	2,542,024	Charitable gift annuity liability, current portion	20,970	20,970
Accounts receivable - trade, net	12,155	70,301	Lease liability - operating lease, current portion	142,187	187,010
Grants, bequests and contributions receivable, net	54,896	5,455,000	<u>Total Current Liabilities</u>	<u>\$ 2,157,505</u>	<u>\$ 2,239,069</u>
List rent receivable, net	49,432	40,998	OTHER LIABILITIES:		
Direct mail supplies	239,670	359,148	Deferred membership dues	\$ 2,191,323	\$ 2,636,074
Prepaid expenses	112,659	175,240	Deferred compensation liabilities	392,698	328,945
<u>Total Current Assets</u>	<u>\$ 17,498,796</u>	<u>\$ 18,966,923</u>	Charitable gift annuity liability, net of current portion	69,115	117,791
INVESTMENTS, LONG-TERM:			Lease liability - operating lease, net of current portion	6,214,090	5,982,257
U.S. agency securities	\$ 1,045,783	\$ 963,693	<u>Total Other Liabilities</u>	<u>\$ 8,867,226</u>	<u>\$ 9,065,067</u>
Mutual funds	9,722,508	6,968,371	TOTAL LIABILITIES	<u>\$ 11,024,731</u>	<u>\$ 11,304,136</u>
Money market fund	4,811	44,136			
Stock	1,424	1,277	NET ASSETS:		
Certificates of deposit	6,843,515	10,879,644	Without donor restrictions:		
<u>Total Investments, Long-Term</u>	<u>\$ 17,618,041</u>	<u>\$ 18,857,121</u>	Operating	\$ 22,164,605	\$ 17,977,027
PROPERTY AND EQUIPMENT, AT COST:			Board-designated reserve fund	1,000,000	1,000,000
Furniture and equipment	\$ 18,640	\$ 28,866	Foreign currency translation adjustment from Canadian operations	848,981	849,359
Leasehold improvements	1,569,573	1,529,663	<u>Total Without Donor Restrictions</u>	<u>\$ 24,013,586</u>	<u>\$ 19,826,386</u>
Less, accumulated depreciation	(200,268)	(54,360)	With donor restrictions	6,486,198	13,314,218
<u>Property and Equipment - Net</u>	<u>\$ 1,387,945</u>	<u>\$ 1,504,169</u>	<u>Total Net Assets</u>	<u>\$ 30,499,784</u>	<u>\$ 33,140,604</u>
OTHER ASSETS:					
Deposits	\$ 255,283	\$ 75,784			
Deferred compensation assets	392,698	328,945			
Right-of-use asset - operating lease	4,371,752	4,711,798			
<u>Total Other Assets</u>	<u>\$ 5,019,733</u>	<u>\$ 5,116,527</u>			
TOTAL ASSETS	<u>\$ 41,524,515</u>	<u>\$ 44,444,740</u>	TOTAL LIABILITIES AND NET ASSETS	<u>\$ 41,524,515</u>	<u>\$ 44,444,740</u>

The accompanying notes are an integral part of these statements.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Membership dues	\$ 3,844,803	\$ -	\$ 3,844,803	\$ 4,420,163	\$ -	\$ 4,420,163
Contributions	9,458,874	211,000	9,669,874	20,984,720	-	20,984,720
Foundation grants	-	1,227,993	1,227,993	5,000	12,951,956	12,956,956
Publication sales	133,407	-	133,407	133,522	-	133,522
Investment interest and dividends	495,159	-	495,159	202,571	-	202,571
Realized gains on investments	403,032	-	403,032	507,964	-	507,964
Unrealized gains (losses) on investments	558,532	-	558,532	(2,918,399)	-	(2,918,399)
Royalty income	179,063	-	179,063	200,309	-	200,309
Litigation income	146,394	-	146,394	214,645	-	214,645
Other income	111,514	-	111,514	180,574	-	180,574
Net assets released from restrictions:						
Satisfaction of program restrictions	8,267,013	(8,267,013)	-	6,231,483	(6,231,483)	-
Total Support and Revenue	<u>\$ 23,597,791</u>	<u>\$ (6,828,020)</u>	<u>\$ 16,769,771</u>	<u>\$ 30,162,552</u>	<u>\$ 6,720,473</u>	<u>\$ 36,883,025</u>
EXPENSES:						
Program Services:						
Public education	\$ 3,178,926	\$ -	\$ 3,178,926	\$ 3,884,536	\$ -	\$ 3,884,536
Nutrition Action Healthletter	3,492,488	-	3,492,488	3,307,532	-	3,307,532
Special projects	9,897,531	-	9,897,531	8,843,429	-	8,843,429
Total Program Services	<u>\$ 16,568,945</u>	<u>\$ -</u>	<u>\$ 16,568,945</u>	<u>\$ 16,035,497</u>	<u>\$ -</u>	<u>\$ 16,035,497</u>
Supporting Services:						
Membership development	\$ 1,167,122	\$ -	\$ 1,167,122	\$ 1,805,657	\$ -	\$ 1,805,657
Management and general	373,595	-	373,595	223,830	-	223,830
Fundraising	1,300,551	-	1,300,551	1,243,662	-	1,243,662
Total Supporting Services	<u>\$ 2,841,268</u>	<u>\$ -</u>	<u>\$ 2,841,268</u>	<u>\$ 3,273,149</u>	<u>\$ -</u>	<u>\$ 3,273,149</u>
Total Expenses	<u>\$ 19,410,213</u>	<u>\$ -</u>	<u>\$ 19,410,213</u>	<u>\$ 19,308,646</u>	<u>\$ -</u>	<u>\$ 19,308,646</u>
CHANGE IN NET ASSETS	\$ 4,187,578	\$ (6,828,020)	\$ (2,640,442)	\$ 10,853,906	\$ 6,720,473	\$ 17,574,379
FOREIGN CURRENCY TRANSLATION ADJUSTMENT FROM CANADIAN OPERATIONS	(378)	-	(378)	(696)	-	(696)
NET ASSETS, BEGINNING OF YEAR	19,826,386	13,314,218	33,140,604	8,973,176	6,593,745	15,566,921
NET ASSETS, END OF YEAR	<u>\$ 24,013,586</u>	<u>\$ 6,486,198</u>	<u>\$ 30,499,784</u>	<u>\$ 19,826,386</u>	<u>\$ 13,314,218</u>	<u>\$ 33,140,604</u>

The accompanying notes are an integral part of these statements.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services				Supporting Services				Total Expenses
	Public Education	Nutrition Action Health-letter	Special Projects	Total	Membership Development	Management and General	Fund-raising	Total	
Salaries	\$ 636,306	\$ 653,812	\$ 4,882,871	\$ 6,172,989	\$ 223,561	\$ 84,899	\$ 310,117	\$ 618,577	\$ 6,791,566
Payroll taxes	51,566	50,212	381,180	482,958	17,666	6,954	23,737	48,357	531,315
Employee benefits	82,702	59,344	491,671	633,717	28,174	10,617	38,573	77,364	711,081
Total Salaries and Related Expenses	\$ 770,574	\$ 763,368	\$ 5,755,722	\$ 7,289,664	\$ 269,401	\$ 102,470	\$ 372,427	\$ 744,298	\$ 8,033,962
Advertising/media campaigns	-	-	212,387	212,387	101,342	-	-	101,342	313,729
Conferences and travel	11,751	2,408	199,035	213,194	894	1,177	7,524	9,595	222,789
Consultants, professionals and temporary services	296,839	139,400	848,706	1,284,945	183,886	57,905	200,224	442,015	1,726,960
Data processing	-	569,032	-	569,032	-	30,441	-	30,441	599,473
Depreciation and amortization	-	18,163	92,970	111,133	6,011	25,809	13,180	45,000	156,133
Equipment rental and maintenance	15,756	45,774	241,891	303,421	14,321	41,453	35,497	91,271	394,692
Mail list costs	162,435	-	-	162,435	86,920	-	6,144	93,064	255,499
Occupancy	15,792	45,575	344,657	406,024	20,415	60,519	45,499	126,433	532,457
Other expenses	5,497	96,011	241,215	342,723	12,226	62,736	30,205	105,167	447,890
Postage and mailing	1,195,136	985,668	2,812	2,183,616	233,457	438	361,024	594,919	2,778,535
Printing and publications	703,805	808,723	2,193	1,514,721	232,145	311	214,041	446,497	1,961,218
Subgrants	-	-	1,806,326	1,806,326	-	-	-	-	1,806,326
Supplies	458	3,731	19,020	23,209	1,224	(25,429)	2,829	(21,376)	1,833
Telephone, internet and network support	883	14,635	130,597	146,115	4,880	15,765	11,957	32,602	178,717
Totals	<u>\$ 3,178,926</u>	<u>\$ 3,492,488</u>	<u>\$ 9,897,531</u>	<u>\$ 16,568,945</u>	<u>\$ 1,167,122</u>	<u>\$ 373,595</u>	<u>\$ 1,300,551</u>	<u>\$ 2,841,268</u>	<u>\$ 19,410,213</u>

The accompanying notes are an integral part of these statements.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Program Services				Supporting Services				Total Expenses
	Public Education	Nutrition Action Health-letter	Special Projects	Total	Membership Development	Management and General	Fund-raising	Total	
Salaries	\$ 625,585	\$ 628,136	\$ 4,645,574	\$ 5,899,295	\$ 112,832	\$ 55,163	\$ 323,537	\$ 491,532	\$ 6,390,827
Payroll taxes	53,177	47,267	358,796	459,240	9,594	4,641	24,231	38,466	497,706
Employee benefits	82,065	56,324	462,837	601,226	15,563	6,535	36,495	58,593	659,819
Total Salaries and Related Expenses	\$ 760,827	\$ 731,727	\$ 5,467,207	\$ 6,959,761	\$ 137,989	\$ 66,339	\$ 384,263	\$ 588,591	\$ 7,548,352
Advertising/media campaigns	-	-	318,463	318,463	9,838	-	-	9,838	328,301
Conferences and travel	1,421	3,751	79,607	84,779	2,597	902	4,670	8,169	92,948
Consultants, professionals and temporary services	204,278	105,562	779,263	1,089,103	282,483	28,464	122,123	433,070	1,522,173
Data processing	646	522,502	-	523,148	-	30,006	502	30,508	553,656
Depreciation and amortization	-	3,212	19,131	22,343	699	(87)	2,539	3,151	25,494
Equipment rental and maintenance	-	46,766	316,127	362,893	9,977	33,191	61,971	105,139	468,032
Mail list costs	354,382	-	-	354,382	238,410	-	21,408	259,818	614,200
Occupancy	17,489	48,392	365,000	430,881	14,200	59,599	50,705	124,504	555,385
Other expenses	1,543	96,123	251,620	349,286	6,114	24,892	30,459	61,465	410,751
Postage and mailing	1,736,425	980,253	5,438	2,722,116	709,350	(2,684)	383,857	1,090,523	3,812,639
Printing and publications	807,525	751,645	2,396	1,561,566	390,456	64	166,065	556,585	2,118,151
Subgrants	-	-	1,126,413	1,126,413	-	-	-	-	1,126,413
Supplies	-	4,867	21,552	26,419	818	(26,840)	3,895	(22,127)	4,292
Telephone, internet and network support	-	12,732	91,212	103,944	2,726	9,984	11,205	23,915	127,859
Totals	\$ 3,884,536	\$ 3,307,532	\$ 8,843,429	\$ 16,035,497	\$ 1,805,657	\$ 223,830	\$ 1,243,662	\$ 3,273,149	\$ 19,308,646

The accompanying notes are an integral part of this statement.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS - OPERATING ACTIVITIES:		
Change in net assets	\$ (2,640,442)	\$ 17,574,379
Adjustments to reconcile change in net assets to net cash flows - operating activities:		
Depreciation and amortization	\$ 156,133	\$ 25,494
Realized gains on investments	(403,032)	(507,964)
Unrealized (gains) losses on investments	(558,532)	2,918,399
Amortization of right-of-use asset - operating lease	340,046	72,516
Foreign currency translation adjustment from Canadian operations	(378)	(696)
Lease liability	187,010	15,326
(Increase) Decrease in Assets:		
Accounts receivable - trade	58,146	(15,986)
Grants, bequests and contributions receivable	5,400,104	(5,378,423)
List rent receivable	(8,434)	6,364
Other receivables	-	697
Direct mail supplies	119,478	(238,642)
Prepaid expenses	62,581	(16,022)
Deposits	(179,499)	90,613
Deferred compensation assets	(63,753)	417,874
Increase (Decrease) in Liabilities:		
Accounts payable	82,050	158,069
Accrued payroll and leave	(25,974)	207,354
Subgrant liability	(92,817)	(608,206)
Sublease deposit	-	(7,002)
Deferred membership dues	(444,751)	(128,657)
Deferred rent	-	(129,884)
Deferred compensation liabilities	63,753	(417,874)
Charitable gift annuity liability	(48,676)	(5,002)
Total Adjustments	\$ 4,643,455	\$ (3,541,652)
Net Cash Flows - Operating Activities	\$ 2,003,013	\$ 14,032,727
CASH FLOWS - INVESTING ACTIVITIES:		
Investment sales	\$ 3,814,756	\$ 1,215,673
Investment purchases	(1,947,701)	(15,454,148)
Purchases of property and equipment	(39,909)	(160,036)
Net Cash Flows - Investing Activities	\$ 1,827,146	\$ (14,398,511)
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ 3,830,159	\$ (365,784)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,852,587	6,218,371
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 9,682,746	\$ 5,852,587
NON-CASH INVESTING AND FINANCING ACTIVITY		
Leasehold improvements acquired with buildout allowance paid by landlord	\$ -	\$ 1,369,627
Right-of-use asset acquired with lease liability	\$ -	\$ 6,153,941
Reclassification of buildout allowance to reduce right-of-use asset	\$ -	\$ 1,369,627

The accompanying notes are an integral part of these statements.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 1. Organization and Summary of Significant Accounting Policies

Organization:

The Center for Science in the Public Interest is a not-for-profit organization operating in the United States that seeks to provide useful, objective information to the public and to conduct research on nutrition, food safety, health, the environment, and other issues; to represent the citizens' interests before legislative, regulatory, and judicial bodies on nutrition, food safety, health, the environment, other issues; to ensure that advances in science are used for the public's good.

CSPI Action Fund was incorporated on January 13, 2022 for the purposes for advocating for government policies that promote healthy diets, prevent deceptive marketing practices, and ensure that science is used to promote the public good.

Principles of Consolidation:

The consolidated financial statements include the accounts of CSPI and affiliate, CSPI Action Fund, (together, CSPI). All significant intercompany accounts and balances have been eliminated.

Basis of Accounting:

The accompanying consolidated financial statements are prepared on the accrual basis of accounting.

Revenue recognition:

CSPI follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* and FASB ASC 958, *Not-for-Profit Entities* when recording its revenue from the various sources as further described below:

Contributions and grants

CSPI recognizes contributions and grants 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 and grants are recorded as support with or without donor restrictions, depending upon the existence and/or nature of any donor restrictions. For contributions with donor restrictions, amounts are reclassified as net assets without donor restrictions when the time restriction expires or when the purpose restriction is satisfied.

Membership dues

Membership dues, which are nonrefundable, are considered to be exchange transactions based on the value of benefits provided. CSPI recognizes the membership dues over the membership period.

Publications

Revenue from publication sales are recognized when the publications are delivered to the customer.

Royalties

Royalties are generally received from the sale of member mailing lists and royalty income is recognized at the time of the sale.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

Investments:

Investments are stated at fair market value in accordance with FASB ASC 958, *Not for Profit Entities*. The unrealized appreciation (depreciation) on those investments is reflected in the Statement of Activities and Changes in Net Assets.

Inventories:

Inventories consist of direct mail materials and are stated at the lower of cost or market with cost being determined on the first-in, first-out basis.

Property and Equipment and Depreciation:

Property and equipment are recorded at cost. CSPI follows the practice of capitalizing all individual expenditures for property and equipment in excess of \$3,000. Depreciation expense is provided on a straight-line basis over the estimated useful lives (3-10 years) of the assets.

Leasehold improvements, also recorded at cost, are being amortized over the remaining life of the original lease.

Income Taxes:

Center for Science in the Public Interest and CSPI Action Fund are exempt from federal income tax under Section 501(c)(3) and Section 501(c)(4), respectively, of the Internal Revenue Code and from the District of Columbia franchise tax, except for taxes on unrelated business income. The Internal Revenue Service has also determined that Center for Science in the Public Interest and CSPI Action Fund are not private foundations within the meaning of Section 509(a)(1) of the Code. Center for Science in the Public Interest is also exempt from income taxes on income earned within Canada, but is not exempt from the national goods and services tax and the provincial goods and services harmonized sales tax.

CSPI has analyzed its tax positions and has concluded that no liability should be recorded related to any uncertain tax positions. CSPI is not aware of any tax positions which it believes will change materially in the next twelve months. If this position changes, CSPI will assess the impact of any such matters on its financial positions and results of operations.

CSPI files its information returns for federal reporting purposes. CSPI is not currently under audit by any tax jurisdiction.

Advertising Costs:

Advertising costs are charged to operations when advertising first takes place.

Use of Estimates:

The preparation of financial statements in conformity 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. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses:

The costs of providing the various programs and other activities of CSPI have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs on the basis of estimates of time and effort.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 1. Organization and Summary of Significant Accounting Policies (Concluded)

Grants, Bequests and Contributions Receivable:

Unconditional promises to give that are due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give that are due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, discounted using risk-free interest rates applicable to the years in which the promises are received. No discount was recorded in 2023 or 2022 as the amounts were not material. The allowance for doubtful accounts related to grants, bequests, and contributions receivable was \$30,000 and \$0 as of June 30, 2023 and 2022, respectively.

Accounts Receivable and List Rental Receivable:

Accounts receivable and list rental receivables are stated at the amount CSPI expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Allowance for doubtful accounts is \$0 as of June 30, 2023 and 2022 for both list rental and accounts receivable.

Recently Adopted Accounting Pronouncements:

In March 2018, the FASB issued ASU No. 2016-02 (now codified as ASC 842, *Leases*). The main difference between the provisions of ASU No. 2016-02 and previous U.S. GAAP is the recognition of right-of-use assets and lease liabilities by lessees for those leases classified as operating leases under previous U.S. GAAP. ASC 842 retains a distinction between finance leases and operating leases, and the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous U.S. GAAP. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election, by class of underlying asset, not to recognize right-of-use assets and lease liabilities. The accounting applied by a lessor is largely unchanged from that applied under previous U.S. GAAP. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. CSPI adopted the standard for the fiscal year ended June 30, 2022 using a modified retrospective approach. As a result, CSPI recorded a right-of-use asset and a lease liability related to its operating leases as of the beginning of the fiscal year. The impact of the transition to this new standard is reflected in the consolidated statements of financial position, consolidated statements of cash flows, and Note 8 of these consolidated financial statements.

Note 2. Description of Programs

CSPI program service activities are as follows:

Public Education includes the distribution of health and nutrition oriented materials, such as books, brochures, letters, articles, and pamphlets to the public; sponsorship of conferences and websites; media interviews.

Nutrition Action Healthletter consists of editing and publishing ten issues per year of Nutrition Action Healthletter, a periodical for members and subscribers containing current information on nutrition, food safety, and related health issues. Circulation as of June 30, 2023 and 2022 was approximately 290,000 and 380,000, respectively, in the U.S.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 2. Description of Programs (Concluded)

Special Projects include efforts to:

- provide public information on nutrition and diet, provide consumer input on nutrition and food safety laws and regulations, investigate the accuracy of food and beverage advertising and labeling, promote healthier menu items in restaurants;
- promote increased production and availability of food that is free of unsafe ingredients by working with food producers and retailers, monitoring and investigating proposed and approved additives to the food supply, and monitoring and improving the laws and regulations governing food safety, particularly for meat, poultry, seafood and produce;
- promote increased protection from ordinary contamination with microbes through increased appropriations for inspections of imported and domestic foods and food manufacturing facilities; promotion of policies intended to reduce anti-microbial resistance;
- improve the diet of children by promoting more nutritious school food through publications, seminars, and public policy efforts; encourage food producers to improve the nutrient content of the products sold in schools and restaurants; and discourage the advertising of unhealthy foods to children;
- identify and publicize links between industry and science in matters related to health, food, and environmental research; examine how the demands of industry may undermine the public-interest mission of science; and secure a balance of views in the science policy decision-making process which, combined with full disclosure, will enable scientists to provide the public, media, and policy-makers with the best advice about scientific issues;
- assess scientific concerns about the risks and benefits of genetically engineered plants, animals, and other organisms used in agriculture; inform the public about the benefits and risks of engineered crops and foods; strengthen the regulatory system; increase public funding for research on both genetic engineering and sustainable agriculture; and counsel developing nations on the regulation and use of appropriate genetically engineered crops;
- improve both human health and the environment by promoting the consumption of a more plant-based diet and reducing the consumption of meat, milk fat, and other products that have been linked to cancer, heart disease, and other health problems; reduce consumption of sodium to healthy levels;
- promote changes in the American food supply and in food policies through the litigation process;
- improve the public's ability to make informed decisions about nutrition through, for example, nutrition facts, labels and menu labeling.

Note 3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash and liquid investments with original maturities of three months or less and consist of the following balances at June 30, 2023 and 2022:

<u>Description</u>	<u>2023</u>	<u>2022</u>
Cash in banks	\$ 3,727,780	\$ 2,827,138
Money market funds	<u>5,954,966</u>	<u>3,025,449</u>
Total	<u>\$ 9,682,746</u>	<u>\$ 5,852,587</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 4. Information Regarding Liquidity and Availability

CSPI strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit and other short-term investments.

The following table reflects CSPI's financial assets as of June 30, 2023 and 2022, reduced by the amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Long-term investments are publicly traded and could be exchanged for cash if necessary.

	2023	2022
Cash and cash equivalents	\$ 9,682,746	\$ 5,852,587
Investments	24,965,279	25,870,770
Accounts receivable and other receivables	61,587	111,299
Grants, bequests, and contributions receivable, net	54,896	5,455,000
Total financial assets	\$ 34,764,508	\$ 37,289,656
Net assets with donor restrictions	(6,486,198)	(13,314,218)
Board-designated reserve fund	(1,000,000)	(1,000,000)
Financial assets available to meet cash needs for general expenditures within one year	\$ 27,278,310	\$ 22,975,438

Note 5. Net Assets with Donor Restrictions

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as an increase in net assets with donor restrictions. If the restriction is fulfilled in the same time period in which the contribution is received, it may be classified as an increase in net assets without donor restrictions; however, CSPI will generally report these amounts initially as an increase in net assets with donor restrictions and show their release to net assets without donor restrictions when the restrictions are satisfied.

Net assets with donor restrictions at June 30, 2023 and 2022 were comprised of the following programs:

Purpose	Donor	Balance 06/30/22	Revenue/ Contributions	Released	Balance 06/30/23
Anti-Poverty	From Now On Fund/ Tides Foundation	\$ 1,403	\$ -	\$ (1,403)	\$ -
Digital Strategy	Suzanne & Lawrence Hess	158,064	-	(151,755)	6,309
Food Additives	Park Foundation	3,750	15,000	(14,728)	4,022
Food Additives	Passport Foundation	66,667	-	(66,667)	-
Food Additives/Supplements	John Sperling Foundation	14,972	600,000	(307,034)	307,938
Food Banks	From Now On Fund/Tides Foundation	38,042	166,160	(139,378)	64,824
Healthy Checkout	Michael & Susan Dell Foundation	35,000	-	(35,000)	-
Food Service Guidelines	de Beaumont Foundation	25,000	60,000	(44,547)	40,453
Healthy Retail	Johnson Family Foundation	4,167	10,000	(9,417)	4,750
Corn Masa	Koran Family Fund	15,000	-	(15,000)	-
Poppy Seeds	Steve & Betty Hacala	12,078	15,000	(18,214)	8,864
Pouring Rights	From Now On Fund/Tides Foundation	13,000	25,165	(18,210)	19,955
Public Health Advocacy Fellowship	CECHE	4,167	50,000	(49,764)	4,403

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 5. Net Assets with Donor Restrictions (Concluded)

<u>Purpose</u>	<u>Donor</u>	<u>Balance 06/30/22</u>	<u>Revenue/ Contributions</u>	<u>Released</u>	<u>Balance 06/30/23</u>
School Foods	Anonymous	\$ 50,000	\$ 50,000	\$ (32,487)	\$ 67,513
Science Initiative	Harvey Motulsky & Lisa Norton Fund	148,600	200,000	(149,603)	198,997
SNAP Pilot Program	From Now On Fund/Tides Foundation	13,644	12,650	(22,945)	3,349
Coordinated Food Policy Campaigns	Bloomberg Family Foundation, Inc.	8,490,618	-	(5,379,945)	3,110,673
Adoption of Obesity Prevention Policies	Fernwood Group Fund	2,574,215	-	(1,411,162)	1,163,053
Time Restriction	Arnold Ventures	200,000	-	(200,000)	-
Training DEI	Fore River Foundation	65,000	-	(60,587)	4,413
School Meals	From Now On Fund/Tides Foundation	-	50,025	(50,025)	-
Pouring Rights	CUNY	-	40,000	(24,137)	15,863
Food Additives	Smith Edmonds Family Foundation	-	28,382	(21,035)	7,347
Food Service Guidelines	Health Care Without Harm	-	90,000	(28,359)	61,641
Food Services Guidelines	NOPREN	-	1,000	(1,000)	-
Healthy Retail	Tufts College	-	14,611	(14,611)	-
Endowment Funds	Various/Davee Foundation	1,380,831	11,000	-	1,391,831
		<u>\$ 13,314,218</u>	<u>\$ 1,438,993</u>	<u>\$ (8,267,013)</u>	<u>\$6,486,198</u>

<u>Purpose</u>	<u>Donor</u>	<u>Balance 06/30/21</u>	<u>Revenue/ Contributions</u>	<u>Released</u>	<u>Balance 06/30/22</u>
Anti-Poverty	From Now On Fund/ Tides Foundation	\$ -	\$ 16,838	\$ (15,435)	\$ 1,403
Dietary Guidelines	Sara Murray	3,349	-	(3,349)	-
Digital Strategy	Suzanne & Lawrence Hess	129,217	146,956	(118,109)	158,064
Food Additives	Park Foundation	-	15,000	(11,250)	3,750
Food Additives	Passport Foundation	25,000	100,000	(58,333)	66,667
Food Additives/Supplements	John Sperling Foundation	330,000	-	(315,028)	14,972
Food Banks	From Now On Fund/Tides Foundation	-	94,276	(56,234)	38,042
Healthy Retail	Michael & Susan Dell Foundation	70,000	-	(35,000)	35,000
Food Service Guidelines	de Beaumont Foundation	-	75,000	(50,000)	25,000
Healthy Retail	Johnson Family Foundation	4,167	10,000	(10,000)	4,167
Corn Masa	Koran Family Fund	-	25,000	(10,000)	15,000
Poppy Seeds	Steve & Betty Hacala	60,392	-	(48,314)	12,078
Pouring Rights	From Now On Fund/Tides Foundation	9,000	20,160	(16,160)	13,000
Public Health Advocacy Fellowship	CECHE	4,167	50,000	(50,000)	4,167
Sesame	Christine Olsen & Robert Small	18,750	-	(18,750)	-
School Foods	From Now On Fund/Tides Foundation	16,440	40,000	(56,440)	-
School Foods	Anonymous	40,000	50,000	(40,000)	50,000
Science initiative	Harvey Motulsky & Lisa Norton Fund	250,000	-	(101,400)	148,600
SNAP Pilot Program	From Now On Fund/Tides Foundation	20,000	43,726	(50,082)	13,644
Coordinated Food Policy Campaigns	Bloomberg Family Foundation, Inc.	3,364,782	9,506,586	(4,380,750)	8,490,618
Adoption of Obesity Prevention Policies	Fernwood Group Fund	702,650	2,493,414	(621,849)	2,574,215
Time Restriction	Arnold Ventures	-	200,000	-	200,000
Training DEI	Fore River Foundation	60,000	65,000	(60,000)	65,000
Rhode Island Campaign	Michael R. Bloomberg	105,000	-	(105,000)	-
Endowment Funds	Various/Davee Foundation	1,380,831	-	-	1,380,831
		<u>\$ 6,593,745</u>	<u>\$ 12,951,956</u>	<u>\$ (6,231,483)</u>	<u>\$13,314,218</u>

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Note 6. Donor-Restricted Endowment Funds

An endowment fund was established during the year ended June 30, 1996. Donor-restricted endowment funds at June 30, 2023 and 2022 consist of an endowment fund established to support CSPI's program services and general operations. Contributions to the endowment fund are subject to donor restrictions that stipulate the original principal of the gift is to be held and invested by CSPI indefinitely, and income from the fund is to be expended for certain program services or general operations. In fiscal year 2019, CSPI received a \$1,000,000 endowment from The Davee Foundation. Annual fund expenditures are limited to four percent of the value fund and the fund can only be expended for charitable or educational activities. CSPI has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. As a result of this interpretation, CSPI classifies as donor-restricted endowment funds (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts donated to the endowment, and (c) accumulations or expenditures to/from the endowment made in accordance with the direction of the applicable donor gift instrument. CSPI considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

CSPI has adopted investment and spending policies for the endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the original principal of the endowment assets. The donor-restricted endowment fund is invested in equity funds, certificates of deposit and fixed income funds pursuant to CSPI's investment and spending objectives of subjecting the fund to low investment risk and providing its programs and operations with current income. Donor restricted endowment net assets were \$1,391,831 and \$1,380,831 as of June 30, 2023 and 2022, respectively.

Note 7. Investments

CSPI values its investments in accordance with the "Fair Value Measurement" Topic of FASB ASC 820. FASB ASC 820 establishes a consistent definition of fair value and a hierarchy that encourages and is based on the use of observable inputs, but allows for unobservable inputs when observable inputs do not exist. Inputs are classified into one of three categories:

- Level 1 - Inputs to the valuation methodology are quoted in an active market.
- Level 2 - Inputs to the valuation methodology are inputs other than quoted prices in an active market that are observable.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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Note 7. Investments (Concluded)

All of CSPI's investments, except certificates of deposit, are valued using Level 1 inputs. Certificates of deposit are valued using level 2 inputs.

Investments consisted of the following at June 30:

	2023		
	Cost	Unrealized Appreciation (Depreciation)	Fair Market Value
Mutual funds:			
Index funds	\$ 422,236	\$ 968,636	\$ 1,390,872
Value funds	4,639,527	(283,420)	4,356,107
Growth funds	3,438,133	138,054	3,576,187
Other funds	361,018	38,324	399,342
Total mutual funds	\$ 8,860,914	\$ 861,594	\$ 9,722,508
Certificates of deposit	13,510,416	(801,080)	12,709,336
Stock	457	967	1,424
Money market fund	4,811	-	4,811
U.S. agency securities	2,569,546	(42,346)	2,527,200
Total	\$ 24,946,144	\$ 19,135	\$ 24,965,279

	2022		
	Cost	Unrealized Appreciation (Depreciation)	Fair Market Value
Mutual funds:			
Index funds	\$ 422,235	\$ 741,275	\$ 1,163,510
Value funds	3,748,599	(422,952)	3,325,647
Growth funds	2,513,575	(304,317)	2,209,258
Other funds	277,976	(8,020)	269,956
Total mutual funds	\$ 6,962,385	\$ 5,986	\$ 6,968,371
Certificates of deposit	15,884,417	(533,148)	15,351,269
Stock	457	820	1,277
Money market fund	44,136	-	44,136
U.S. agency securities	3,539,604	(33,887)	3,505,717
Total	\$ 26,430,999	\$ (560,229)	\$ 25,870,770

Investment return is summarized as follows:

	2023	2022
Interest and dividends	\$ 495,159	\$ 202,571
Realized gains on investments	403,032	507,964
Unrealized gains (losses) on investments	558,532	(2,918,399)
Total Investment Income (loss)	\$ 1,456,723	\$ (2,207,864)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 8. Lease Commitments

During the fiscal year ended June 30, 2010, CSPI entered into a long-term lease for office space. The lease commenced on November 1, 2010 and terminated on January 31, 2022. The lease called for monthly base rent of \$59,486 and included provisions for annual rental increases each November 1. The lease also included provisions for additional rent based on increased operating expenses and real estate taxes. As part of the lease agreement the landlord granted a \$1,223,706 build out allowance as well as a three month rent abatement. Under previous U.S. GAAP standards for leases, rent payments were recognized as an expense on a straight-line basis over the term of the lease, and a deferred rent liability was recorded for timing differences associated with rent abatements.

On May 1, 2022, CSPI entered into a new long-term lease for office space which terminates December 31, 2033. The lease calls for monthly base rent of \$53,667 and includes provisions for annual rental increases each May 1. As part of the lease agreement the landlord granted a \$1,369,627 build out allowance as well as a twenty month rent abatement.

In September 2016, CSPI entered into a sublease for a portion of its U.S. office space. Rent was \$7,002 per month and increased by 5.0% per year, and the sublease expired on January 28, 2022.

CSPI adopted ASC 842, *Leases*, at the beginning of the fiscal year ended June 30, 2022. With the adoption of the new lease standard, all deferred rent and lease incentives were reclassified as a reduction of the right-of-use asset.

CSPI elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and on-going leases to not recognize the right-of-use and lease liability for such leases. Lease payments for short-term leases are recognized on a straight-line basis.

CSPI has elected the option to use a risk-free interest rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. CSPI has applied the risk-free option to the office space lease.

The components of lease expense for the year ended June 30, 2023 and 2022 are as follows:

Lease Expense:		
2023 Operating lease expense	\$	534,383
2022 Operating lease expense		555,385
Other Information – Operating Lease:		
Right-of-use asset obtained in exchange for lease liability in 2022	\$	6,153,941
Weighted average remaining lease term (in years) – 2023		10.50
Weighted average remaining lease term (in years) – 2022		11.50
Weighted average discount rate – 2023 and 2022		2.99%

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Note 8. Lease Commitments (Concluded)

Maturities of the long-term operating lease liabilities are as follows for the years ending June 30:

2024	\$	332,800
2025		679,426
2026		696,406
2027		713,818
2028		731,664
Thereafter		<u>4,364,502</u>
Total	\$	<u>7,518,616</u>
Less: present value discount		(1,162,339)
Present value of future minimum lease payments	\$	<u>6,356,277</u>
Less: current lease liabilities		(142,187)
Net long-term lease liabilities	\$	<u><u>6,214,090</u></u>

Note 9. Allocation of Joint Costs

For the year ended June 30, 2023, CSPI incurred joint costs of \$1,328,578 for informational materials for the purpose of membership development. Of those costs, \$717,432 was allocated to Public Education and \$611,146 was allocated to Membership Development. For the year ended June 30, 2022, CSPI incurred joint costs of \$3,061,748 for informational materials for the purpose of membership development. Of those costs, \$1,653,344 was allocated to Public Education and \$1,408,404 was allocated to Membership Development.

For the year ended June 30, 2023, CSPI incurred joint costs of \$2,553,614 for informational materials that included fundraising appeals. Of those costs, \$1,506,632 was allocated to Public Education and \$1,046,982 was allocated to fundraising. For the year ended June 30, 2022, CSPI incurred joint costs of \$2,304,665 for informational materials that included fundraising appeals. Of those costs, \$1,336,706 was allocated to Public Education and \$967,959 was allocated to fundraising.

Note 10. Deferred Membership Dues

Membership dues received in advance of the period in which it will be earned is reported as deferred membership dues. Deferred membership dues consists primarily of advance payments for future membership subscriptions.

The following table provides information about significant changes in deferred membership dues for the years ended June 30:

	2023	2022
Deferred membership dues, beginning of year	\$ 2,636,074	\$ 2,764,731
Revenue recognized that was included in		
deferred membership dues at beginning of year	(1,093,243)	(1,542,379)
Deferred membership dues received during the year	<u>648,492</u>	<u>1,413,722</u>
Deferred membership dues, end of year	<u>\$ 2,191,323</u>	<u>\$ 2,636,074</u>

CENTER FOR SCIENCE IN THE PUBLIC INTEREST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Note 11. Employee Benefits

CSPI maintains a tax sheltered annuity plan for its employees under Section 403(b) of the Internal Revenue Code. Participation is voluntary, and CSPI is obligated to match, on a dollar-for-dollar basis, voluntary employee contributions of up to 3% of gross earnings. Additionally, CSPI can make discretionary contributions to the Plan. CSPI made contributions for eligible employees of \$133,759 and \$117,712 under the plan during the fiscal years ended June 30, 2023 and 2022, respectively.

CSPI has a 457(b) private deferred compensation plan for key employees of CSPI. The 457(b) is funded by contributions made by participants and has no ongoing costs to CSPI for continuance.

The tables below present the balance of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy at June 30, 2023 and 2022:

	2023			
	Total	Level 1	Level 2	Level 3
Deferred compensation assets:				
Mutual Funds	\$ 392,698	\$ 392,698	\$ -	\$ -
Deferred compensation liability	\$ 392,698	\$ 392,698	\$ -	\$ -
	2022			
	Total	Level 1	Level 2	Level 3
Deferred compensation assets:				
Mutual Funds	\$ 328,945	\$ 328,945	\$ -	\$ -
Deferred compensation liability	\$ 328,945	\$ 328,945	\$ -	\$ -

Note 12. Related Party Transactions

In November 1998, CSPI along with the Japan Offspring Fund (of Japan) and the Food Commission (of the United Kingdom) co-founded the International Association of Consumer Food Organizations (IACFO), a related party. IACFO operated out of CSPI's office and starting in fiscal year 2020, all operating expenses of the IACFO were borne by CSPI as part of its regular financial operations. The amounts incurred by CSPI on behalf of the IACFO in 2023 and 2022 were not significant.

Note 13. Concentrations of Credit Risk

CSPI's financial instruments that are subject to concentrations of credit risk consist primarily of cash and cash equivalents. CSPI places its domestic cash deposits and liquid investments in high quality financial institutions. At times, such deposits may be in excess of the FDIC insurance limit.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

Note 14. Contingencies

CSPI receives a portion of its revenue from grants. The ultimate determination of amounts received under these programs often is based on allowable costs reported to the donor. In some instances, the donor reserves the right to audit the program costs. Until the final settlement is reached with each donor, there exists a contingency to refund any amount received for costs deemed unallowable in an audit conducted by a donor. CSPI does not believe any such refund is likely and therefore has not accrued a liability for such contingencies.

Note 15. Board Designated Funds

The Board of Directors of CSPI has designated \$1,000,000 of the net assets without donor restrictions as a reserve fund. The fund was established to ensure at all times the normal operation and financial stability of the organization. The amount in the fund and the uses to which it will be applied are periodically examined and established by the Board.

Note 16. Charitable Gift Annuity

On occasion, CSPI receives charitable gift annuities from donors. In accordance with the terms of the respective agreements, CSPI agrees to make annual annuity payments to the donors for the remainder of the donors' lives beginning at a specific time as stated in each agreement. The present value of the estimated obligations is recorded as a liability. As of June 30, 2023 and 2022, the estimated charitable gift annuity liability totaled \$90,085 and \$138,761, respectively.

Note 17. Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impacts on previously reported change in net assets.

Note 18. Subsequent Events

CSPI has evaluated events through April 30, 2024, the date the financial statements were available to be issued, and determined that there was no event occurring subsequent to June 30, 2023, that requires recognition or disclosure in these financial statements.