THE INSTITUTE OF WORLD POLITICS

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

As of and for the Years Ended July 31, 2024 and 2023

And Report of Independent Auditor

Cherry Bekaert LLP
Your Guide Forward

THE INSTITUTE OF WORLD POLITICS
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Report of Independent Auditor

Executive Committee
The Institute of World Politics
Washington, D.C.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Institute of World Politics (the "Institute"), which comprise the statements of financial position as of July 31, 2024, 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 Institute of World Politics as of July 31, 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and in accordance with 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 Institute 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.

Prior Period Financial Statements

The financial statements of the Institute as of July 31, 2023 were audited by other auditors whose report dated April 29, 2024 expressed an unmodified opinion on those statements.

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 Institute'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 with auditing standards generally accepted in the United States of America 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Audit 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 Institute'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 Institute'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2026, on our consideration of the Institute'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 Institute'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 Institute's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Charlotte, North Carolina
January 8, 2026

THE INSTITUTE OF WORLD POLITICS
STATEMENTS OF FINANCIAL POSITION

JULY 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 3,336,637	$ 2,958,420
Tuition receivables, net of allowances for doubtful accounts and discounts ($394,390 in 2024 and $29,000 in 2023)	327,576	272,462
Promises to give, net	1,229,253	4,389,429
Prepaid expenses and other assets	343,267	398,050
Restricted cash	554,060	1,089,001
Interest rate swap	579,881	624,692
Investments	5,418,430	2,969,587
Investments held for split-interest agreement	379,615	367,214
Property and equipment, net	9,624,037	9,781,937
Total Assets	$ 21,792,756	$ 22,850,792
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 423,604	$ 408,503
Deferred tuition and revenue	7,227	368
Refundable advances	-	678,783
Long-term debt, net of issuance costs	6,711,385	6,850,906
Annuity obligations	44,705	70,669
Total Liabilities	7,186,921	8,009,229
Net Assets:		
Without Donor Restrictions:		
Undesignated	8,192,443	6,173,602
Board designated	452,358	384,071
Total Without Donor Restrictions	8,644,801	6,557,673
With Donor Restrictions	5,961,034	8,283,890
Total Net Assets	14,605,835	14,841,563
Total Liabilities and Net Assets	$ 21,792,756	$ 22,850,792

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

THE INSTITUTE OF WORLD POLITICS
STATEMENT OF ACTIVITIES

YEAR ENDED JULY 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Student tuition and fees, net of discounts and scholarships of $851,600	$ 2,100,651	$ -	$ 2,100,651
Contributions, grants and bequests	7,427,502	724,234	8,151,736
Other revenue	102,079	-	102,079
Net assets released from restrictions	3,116,094	(3,116,094)	-
Total Revenue and Support	12,746,326	(2,391,860)	10,354,466
Expenses:			
Program	6,727,933	-	6,727,933
Management and general	4,094,412	-	4,094,412
Fundraising	1,052,994	-	1,052,994
Total Expenses	11,875,339	-	11,875,339
Other Income:			
Investment return, net	1,179,414	69,004	1,248,418
Change in value of interest rate swaps	36,727	-	36,727
Total Other Income	1,216,141	69,004	1,285,145
Change in net assets	2,087,128	(2,322,856)	(235,728)
Net assets, beginning of year	6,557,673	8,283,890	14,841,563
Net assets, end of year	$ 8,644,801	$ 5,961,034	$ 14,605,835

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

THE INSTITUTE OF WORLD POLITICS
STATEMENT OF ACTIVITIES

YEAR ENDED JULY 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Student tuition and fees, net of discounts and scholarships of $1,052,659	$ 2,314,833	$ -	$ 2,314,833
Contributions and grants	4,179,751	4,751,484	8,931,235
Other revenue	164,727	-	164,727
Net assets released from restrictions	2,122,996	(2,122,996)	-
Total Revenue and Support	8,782,307	2,628,488	11,410,795
Expenses:			
Program	6,249,558	-	6,249,558
Management and general	3,082,634	-	3,082,634
Fundraising	951,025	-	951,025
Total Expenses	10,283,217	-	10,283,217
Other Income:			
Investment return, net	65,738	80,785	146,523
Change in value of interest rate swaps	589,328	-	589,328
Total Other Income	655,066	80,785	735,851
Change in net assets	(845,844)	2,709,273	1,863,429
Net assets, beginning of year	7,403,517	5,574,617	12,978,134
Net assets, end of year	$ 6,557,673	$ 8,283,890	$ 14,841,563

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

THE INSTITUTE OF WORLD POLITICS
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JULY 31, 2024

	Program	Management and General	Fundraising	Total
Salaries	$ 3,968,746	$ 1,496,419	$ 603,227	$ 6,068,392
Other employee benefits	308,962	56,154	61,047	426,163
Other professional fees	239,041	138,307	6,947	384,295
Payroll taxes	306,589	108,979	46,096	461,664
Depreciation and amortization	244,050	87,228	37,215	368,493
Accounting	-	93,805	-	93,805
Interest expense	-	307,600	-	307,600
Occupancy	120,545	251,324	21,348	393,217
Conferences, conventions and meetings	25,412	741,001	46,766	813,179
Office expenses	167,910	98,625	36,225	302,760
Advertising	760,153	-	8,202	768,355
Pension plan contributions	118,140	54,238	25,642	198,020
Publications and subscriptions	156,396	44,874	5,743	207,013
Miscellaneous	54,212	399,284	10,540	464,036
Insurance	48,264	36,198	7,063	91,525
Information technology	37,029	59,804	5,353	102,186
Legal	-	18,996	-	18,996
Travel	156,709	52,215	81,061	289,985
Printing	7,577	34,339	47,150	89,066
Dues	8,198	15,022	3,369	26,589
	$ 6,727,933	$ 4,094,412	$ 1,052,994	$ 11,875,339

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

THE INSTITUTE OF WORLD POLITICS
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JULY 31, 2023

	Program	Management and General	Fundraising	Total
Salaries	$ 3,693,055	$ 1,342,377	$ 440,385	$ 5,475,817
Other employee benefits	289,054	60,018	54,360	403,432
Other professional fees	180,983	258,419	118,821	558,223
Payroll taxes	288,619	94,138	32,172	414,929
Depreciation and amortization	213,005	96,416	32,481	341,902
Accounting	-	200,297	-	200,297
Interest expense	114,853	47,400	20,054	182,307
Occupancy	109,673	343,365	16,970	470,008
Conferences, conventions, and meetings	114,079	199,757	67,162	380,998
Office expenses	202,023	142,321	26,571	370,915
Advertising	532,646	4,496	3,450	540,592
Pension plan contributions	114,974	55,515	20,387	190,876
Publications and subscriptions	138,787	9,802	2,727	151,316
Miscellaneous	48,985	34,090	12,796	95,871
Insurance	38,803	44,443	5,808	89,054
Information technology	76,105	72,514	2,905	151,524
Legal	-	32,395	-	32,395
Travel	82,818	16,993	56,466	156,277
Printing	3,432	17,849	35,655	56,936
Dues	7,664	10,029	1,855	19,548
	$ 6,249,558	$ 3,082,634	$ 951,025	$ 10,283,217

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

THE INSTITUTE OF WORLD POLITICS
STATEMENTS OF CASH FLOWS

YEARS ENDED JULY 31, 2024 AND 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	$ (235,728)	$ 1,863,429
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	368,493	341,902
Amortization of debt issuance costs	20,479	18,302
Loss on disposal of property and equipment	-	5,027
Realized and unrealized gain on investments, net	(1,141,947)	(60,724)
Change in value of interest rate swaps	44,811	(589,328)
Change in value of split interest agreements	(12,401)	-
Bad debt expense	365,390	16,099
Changes in operating assets and liabilities:		
Tuition receivables	(420,504)	(90,687)
Promises to give, net	3,160,176	(3,123,696)
Prepaid expenses and other assets	54,783	(226,517)
Accounts payable and accrued expenses	15,101	183,758
Deferred tuition and revenue	6,859	(1,848)
Lease liabilities	-	-
Refundable advances	(678,783)	(373,943)
Net cash flows from operating activities	1,546,729	(2,038,226)
Cash flows from investing activities:		
Proceeds from sales of investments	365,030	2,647,929
Purchases of investments	(1,671,926)	(2,871,419)
Purchases of property and equipment	(210,593)	(534,920)
Net cash flows from investing activities	(1,517,489)	(758,410)
Cash flows from financing activities:		
Payments on finance lease obligations	-	(8,939)
Payments on annuity obligations	(25,964)	(25,965)
Principal payments on note payable	(160,000)	(155,000)
Net cash flows from financing activities	(185,964)	(189,904)
Net change in cash, cash equivalents, and restricted cash	(156,724)	(2,986,540)
Cash, cash equivalents, and restricted cash, beginning of year	4,047,421	7,033,961
Cash, cash equivalents, and restricted cash, end of year	$ 3,890,697	$ 4,047,421
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 337,889	$ 164,005
Supplemental schedule of noncash financing activities:		
Leased assets obtained in exchange for new financing lease liabilities	$ -	$ 43,200
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	3,336,637	2,958,420
Restricted cash and cash equivalents	554,060	1,089,001
Cash, cash equivalents, and restricted cash, end of year	$ 3,890,697	$ 4,047,421

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

Note 1—Organization and nature of operations

The Institute of World Politics (the "Institute") is a graduate institute of national security and international affairs dedicated to developing leaders with a sound understanding of international realities and the ethical conduct of statecraft based on knowledge and appreciation of the principles of the American political economy and the Western moral tradition. The classrooms, library, and administrative offices of the Institute are located in Washington, D.C.

The Institute offers a Doctoral program, master's degrees, certificate, and continuing education programs with a professional curriculum covering the various elements of statecraft. It includes an interdisciplinary foundational course of study of the relevant elements of comparative political culture, Western moral precepts, practical political economics, and political and diplomatic history. All degrees are designed for students who are pursuing a career in the international affairs, intelligence, or national security fields.

Note 2—Summary of significant accounting policies

Basis of Presentation – The financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). As required by the Not-for-Profit Entities Topic of the ASC, the Institute is required to report information regarding its financial position and activities according to two classes of net assets:

> *Net Assets Without Donor Restrictions* – Represent resources that are neither invested in perpetuity, nor purpose or time restricted by donor-imposed stipulations. Board-designated net assets represent funds set aside by the Institute's Board of Trustees (the "Board") to support the Institute's programs and activities. Undesignated net assets represent funds available for general operations.
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> *Net Assets With Donor Restrictions* – Represent resources whose use is limited by donor- imposed stipulations that either expire by the passage of time, are invested in perpetuity or can be fulfilled and removed by actions of the Institute pursuant to these stipulations. Net assets may be restricted for various purposes, such as use in future periods or use for specified parties. Earnings on endowment funds are either net assets with donor restrictions for program purposes or are available for operations as specified by the donor.

Cash Equivalents – The Institute considers money market funds, demand deposits, and certificates of deposit, which are highly liquid and mature within three months, to be cash equivalents.

Restricted Cash – Restricted cash pertains to the Institute's restricted endowments and includes one restricted cash account and money market funds included in investment portfolios.

Financial Risk – The Institute maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Institute has not experienced any losses in such accounts. The Institute believes it is not exposed to any significant financial risk on cash.

The Institute invests in a professionally managed portfolio that contains money market funds, government and corporate bonds, mutual funds and corporate stocks. Such investments are exposed to various risks, such as market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term would materially affect investment balances and the amounts reported in the financial statements.

Note 2—Summary of significant accounting policies (continued)

Tuition Receivables, Net – Tuition receivables are carried at original tuition contract amount, net of an allowance for credit losses based on a review of all outstanding accounts on an annual basis. In accordance with Accounting Standards Codification ("ASC") Topic 326: *Financial Instruments – Credit Losses*, Management determines the allowance for credit losses by identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed to be credit losses. The Institute has included a provision for credit losses of $394,390, $29,000, and $20,000 as of July 31, 2024, 2023, and 2022, respectively. Gross tuition receivable as of July 31, 2022 was $197,874.

Promises to Give – Promises to give are recognized when the donor makes a written promise to give to the Institute that is, in substance, unconditional. Promises to be received in a future period are discounted to their net present value at the time the support is recorded. The Institute's promises to give are discounted using current market rates. The allowance for credit losses related to promises to give is based on management's experience with prior campaigns and its analysis of specific contributions receivable. Recoveries of promises to give previously written off are recorded as support as received. Based on management's evaluation of the collectability of the promises to give, no allowance for credit losses related to promises to give was recorded at July 31, 2024 and 2023.

Investments – Investments are recorded at cost, when purchased, and at fair value on the date of donation when donated. Thereafter, investments in equity securities with readily determinable fair values and all investments in debt securities are reflected at fair value. To adjust the carrying values of these securities, the change in fair value is recorded as a component of investment return in the statements of activities.

Split-interest Agreement – The Institute is a trustee of certain assets under a split-interest agreement, which provides for payments to the donors of specified annuity amounts. Assets held under this agreement are reported as investments held for split-interest agreement on the statements of financial position. Contribution revenue was recognized at the date of the agreement after providing for the present value of estimated future payments to be made to the donors. The annuity obligation liability is adjusted during the term of the agreements for accretion of the discount, payments made, and other changes in the estimates. Split-interest agreements, net of present value discount, were $379,615 and $367,214 at July 31, 2024 and 2023, respectively, which are included on the statements of financial position.

Property and Equipment – Acquisitions of property and equipment in excess of $1,000 and which have useful lives greater than one year are recorded at cost and depreciated using the straight-line method over the useful lives of three to 40 years. Leasehold improvements are amortized using the straight-line method over the estimated life of the asset or the term of the lease, whichever is less.

Valuation of Long-Lived Assets – The Institute reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Debt Issuance Costs – The Institute paid certain customary fees as required to secure the long-term debt used to acquire real property. These fees have been capitalized and are being amortized over the loan period up to the initial redemption date. The unamortized portion of these costs are netted with the respective debt on the accompany statements of financial position. Amortization expense for the years ended July 31, 2024 and 2023, was $20,479 and $18,302, respectively.

Note 2—Summary of significant accounting policies (continued)

Interest Rate Swap Contract – The Institute follows the accounting standard for derivative instruments and hedging activities related to participation in an interest rate swap contract pertaining to certain long-term debt acquired. This standard requires all derivative financial instruments to be recognized in the financial statements at fair value. Changes in the fair value of the derivative instrument are recognized each period as a component of change in net assets.

Revenue Recognition – The Institute's activities are primarily supported through student tuition and fees, contributions, and investment earnings.

The Institute accounts for revenue recognition based on the guidance provided in FASB ASC, *Revenue from Contracts with Customers (Topic 606)*. This guidance requires the Institute to: (1) identify the contract with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when each performance obligation is satisfied. Revenue is recognized when promised goods or services are transferred to the customer in an amount that reflects the consideration expected in exchange for those goods or services.

Tuition and fee revenue is recorded at the Institute's established rates, net of institutional and federal financial aid administered directly by the Institute. Payments for tuition and fees are due prior to the start of the academic semester in accordance with the Institute's due dates. Payments received in advance of performance obligations being satisfied are categorized as deferred tuition and revenue in the statements of financial position and then recorded over time as the performance obligation is satisfied. The performance obligation relating to tuition and fee revenue is the delivery of educational services. Students are typically entitled to a partial refund through a specific point in the academic term, after which no refunds are due upon withdrawal. Refunds issued reduce the amount of revenue recognized. Discounts provided to employees are considered part of fringe benefits within operating expenses and are recorded over time.

Conditional contributions are recognized when donor-imposed conditions are met. These revenues are subject to right of return if funds are not spent and also have barriers that must be met in order to be entitled to the funds. In addition, conditional gifts are not recognized until earned. Accordingly, amounts received, but not yet recognized as revenue, are classified as refundable advances in the statement of financial position. There were $-0- and $678,783 of additional revenues to be earned on various conditional grants for the years ended July 31, 2024 and 2023, respectively.

Contributions of assets other than cash are recorded at their estimated fair value at the date of gift. There were no contributed assets other than cash for the years ended July 31, 2024 and 2023.

Gifts and Bequests – Contributions (gifts and bequests) are recorded as revenue when received. Unconditional gifts received are recorded as without donor restrictions or with donor-restriction support, depending on the existence and/or nature of any donor restrictions at the time the gift is received. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Note 2—Summary of significant accounting policies (continued)

Functional Allocation of Expenses – The costs of providing various program and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain costs have been allocated between the programs and supporting services benefited. Salaries and benefits are allocated based on estimates of time and effort. All other expenses that are not directly related are allocated based on a percentage of time and effort for each department.

Income Taxes – The Institute is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). The Institute is exempt from federal taxes on income other than unrelated business income. Income tax expense for the years ended July 31, 2024 and 2023, was insignificant. The Institute is not classified as a private foundation under Section 509(a)(1) of the IRC.

The Institute follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Institute may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes and accounting in interim periods.

Management evaluated the Institute's tax positions and concluded the Institute has taken no uncertain tax positions which require adjustment to the financial statements to comply with the provisions of this guidance.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements Adopted – In June 2016, FASB issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments – Credit Losses (Topic 326)* and subsequently related amendments (ASU 2018-19, ASU 2019-04, ASU 2019-05, ASU 2019-10, ASU 2019-11, and ASU 2022-02). This guidance replaces the existing incurred loss impairment guidance and establishes a single allowance framework for financial assets carried at amortized cost based on expected credit losses. The estimate of expected credit losses requires the incorporation of historical information, current conditions, and reasonable and supportable forecasts. The Institute adopted this new accounting standard effective August 1, 2023. There was no significant impact to Institute's change in net assets for the current period due to this standard update.

Note 3—Related parties

The Institute does not have related parties other than members of the Board. The Board contributed $1,083,461 and $2,867,329 to the Institute for the years ended July 31, 2024 and 2023, respectively, which are included on the statements of activities. Related party receivables are $181,032 and $1,800,000 for the years ended July 31, 2024 and 2023, respectively, which are included on the statements of financial position.

Note 4—Contributions receivable

The anticipated receipts of contributions receivable at July 31 are as follows:

	2024	2023
Less than one year	$ 806,004	$ 3,984,527
One to four years	362,000	365,000
More than five years	100,000	125,000
	1,268,004	4,474,527
Less discount factor	(38,751)	(85,098)
	$ 1,229,253	$ 4,389,429

Note 5—Investments

Investments consist of the following at July 31:

	2024	2023
Cash and cash equivalents	$ 1,118,067	$ -
Corporate stocks	-	1,702,891
Exchange traded funds	40,732	-
Equity mutual funds	2,258,218	1,266,696
Fixed income	2,001,413	-
	$ 5,418,430	$ 2,969,587

Investment return for the years ended July 31 is comprised of the following:

	2024	2023
Interest and dividends	$ 111,876	$ 103,014
Realized and unrealized gain	1,141,947	60,724
Investment fees	(5,405)	(17,215)
	$ 1,248,418	$ 146,523

Note 6—Split-Interest agreement

Charitable gift annuity's investments at July 31 are comprised of the following:

	2024	2023
Money market fund	$ 7,721	$ 2,547
Domestic equity mutual funds	243,790	168,940
International equity mutual funds	-	68,967
Fixed income mutual funds	128,104	126,760
	$ 379,615	$ 367,214

Note 6—Split-Interest agreement (continued)

The following is a summary of the changes in the annuity obligation for the years ended July 31:

	2024	2023
Beginning of the year	$ 70,669	$ 96,634
Payments to annuitant	(25,964)	(25,965)
End of the year	$ 44,705	$ 70,669

Note 7—Fair value measurements

The Fair Value Measurement Topic of the ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under this topic as assumptions market participants would use in pricing an asset or liability.

The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of investments in Level 1 include money market funds, equity securities, mutual funds, corporate and government bonds. As required by the Fair Value Measurement Topic, the Institute does not adjust the quoted price for these investments, even in situations where the Institute holds a large position and a sale could reasonably impact the quoted price.

Level 2 – Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value is determined through the use of models or other valuation methodologies. The interest rate swap contract connected to the Institute's long-term debt is classified as a Level 2 instrument because its value is a function of the difference between the interest rate on the Institute's long-term debt and the rate in the swap agreement; hence, there are observable market-based inputs. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3 – Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Institute's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. To determine the appropriate levels, the Institute performs a detailed analysis of the assets and liabilities that are subject to the Fair Value Measurement Topic.

Note 7—Fair value measurements (continued)

The tables below present the balances of assets and liabilities at July 31, measured at fair value on a recurring basis by level within the hierarchy:

	2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Restricted cash:				
Money market funds	$ 554,060	$ -	$ -	$ 554,060
Investments:				
Cash and cash equivalents	$ 1,118,067	$ -	$ -	$ 1,118,067
Exchange traded funds	40,732	-	-	40,732
Equity mutual funds	2,258,218	-	-	2,258,218
Fixed income	-	2,001,413	-	2,001,413
	$ 3,417,017	$ 2,001,413	$ -	$ 5,418,430
Investments held for split-interest agreements:				
Domestic mutual funds	$ 243,790	$ -	$ -	$ 243,790
Fixed income mutual funds	128,104	-	-	128,104
Money market fund	7,721	-	-	7,721
	$ 379,615	$ -	$ -	$ 379,615
Interest rate swap contract	$ -	$ 587,965	$ -	$ 587,965

	2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Restricted cash:				
Money market funds	$ 1,089,001	$ -	$ -	$ 1,089,001
Investments:				
Corporate stocks	$ 1,702,891	$ -	$ -	$ 1,702,891
Equity mutual funds	1,266,696	-	-	1,266,696
	$ 2,969,587	$ -	$ -	$ 2,969,587
Investments held for split-interest agreements:				
Domestic and international mutual funds	$ 237,907	$ -	$ -	$ 237,907
Fixed income mutual funds	126,760	-	-	126,760
Money market fund	2,547	-	-	2,547
	$ 367,214	$ -	$ -	$ 367,214
Interest rate swap contract	$ -	$ 624,692	$ -	$ 624,692

Note 8—Property and equipment

Property and equipment and the related accumulated depreciation at July 31 are as follows:

	2024	2023
Land	$ 2,060,000	$ 2,060,000
Building and improvements	8,525,893	8,521,598
Leasehold improvements	524,616	363,832
Furniture and equipment	410,339	364,824
Software and website development costs	815,343	815,343
	12,336,191	12,125,597
Less accumulated depreciation	(2,712,154)	(2,343,660)
	$ 9,624,037	$ 9,781,937

Note 9—Long-term debt

On September 26, 2016, the Institute closed on its purchase of land and building for $10.3 million, which includes the space it previously leased. In connection with the purchase of the leased property, the Institute obtained partial financing through the issuance of $8.5 million District of Columbia Revenue Bonds, Series 2016 (the 2016 Bonds) with Truist Bank. In March 2022, the Institute refinanced the loan with Pinnacle Bank for the principal amount of $7.2 million, with an underlying variable rate of 79% x 30-Day Term SOFR Rate + 90%. Interest is payable monthly and the amortization period is 30 years. The 2022 Bonds are set to mature on April 1, 2052, and are secured by all facilities of the Institute.

Notes payable, net, consists of the following at July 31:

	2024	2023
Notes payable	$ 6,848,000	$ 7,008,000
Less unamortized debt issuance costs	(136,615)	(157,094)
	$ 6,711,385	$ 6,850,906

Annual principal payments on the 2022 Bonds are due in future years as follows:

Years Ending July 31,	
2025	$ 177,000
2026	170,000
2027	174,000
2028	180,000
2029	185,000
Thereafter	5,962,000
	$ 6,848,000

The Institute entered into an interest rate swap agreement with the 2022 Bonds issuance in March 2022, with an underlying synthetic fixed rate of 2.819% and a notional amount of $6,848,000. The swap was effective on March 30, 2022, and terminates on April 1, 2037. The Institute recognized a gain of $44,811 and $589,328 on market value changes for the years ended July 31, 2024 and 2023, respectively.

Interest expense for the years ended July 31, 2024 and 2023, was $287,121 and $182,307, respectively.

Note 10—Line of credit

The Institute entered into a new line of credit agreement with Pinnacle for $1,000,000 during the year ended July 31, 2022, which originally expired March 30, 2024. The Institute extended the line through March 30, 2026. The interest for the line of credit will be computed on the basis of a 360-day year for the actual number of days elapsed and will adjust monthly with changes in 30-Day Term SOFR. The interest rate for the line of credit was 5.38% for the year ended July 31, 2024. There was no outstanding balance on the line of credit at July 31, 2024.

Note 11—Leases

The Institute has entered into two finance leases for purposes of acquiring office equipment, which expire at various dates through fiscal 2027. Finance right-of-use assets in the amount of $43,200 are recorded within prepaid expenses and other assets on the statement of financial position. Finance lease liabilities of $27,826 are recorded within accounts payable and accrued expenses on the statements of financial position.

Future minimum lease payments due under the equipment leases in effect at July 31, 2024 are as follows:

Years Ending July 31,		
2025	$	10,317
2026		8,646
2027		8,646
2028		217
	$	27,826

Other required information on the University's lease obligations at July 31 is as follows:

	2024	**2023**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases (i.e., interest)	$ 865	$ 6,675
Financing cash flows from finance leases (i.e., principal portion)	$ 11,152	$ 8,939
ROU assets obtained in exchange for new finance lease liabilities	$ -	$ 43,200
Weighted-average remaining lease term for finance leases	3.02 years	4.02 years
Weighted-average discount rate for finance leases	5.38%	5.31%

Note 12—Contingencies

Federal funded financial aid programs are subject to special audits. Such audits could result in claims against the resources of the Institute. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

Note 13—Net assets with donor restrictions

During the years ended July 31, changes in net assets with donor restrictions were as follows:

	2024			
	July 31, 2023	Additions/ Investment Income	Releases	July 31, 2024
Subject to expenditure for a specific purpose or period:				
Aldona scholarship	$ 120,083	$ 22,164	$ (100,000)	$ 42,247
PhD program	347,188	220,000	(15,600)	551,588
Time restricted promises	2,194,180	111,227	(1,877,807)	427,600
Distance Learning	63,285	10,000	(73,285)	-
Library/Taube Philanthropies	73,980	75,794	(94,666)	55,108
Kosciuszko Chair	2,162,048	225	(393,314)	1,768,959
Other	547,115	284,824	(434,822)	397,117
	5,507,879	724,234	(2,989,494)	3,242,619
Subject to IWP spending policy and appropriation:				
Kosciuszko Chair Endowment income	152,169	69,004	(110,729)	110,444
Hayes Endowment income	107,963	-	(15,871)	92,092
	260,132	69,004	(126,600)	202,536
Donor-restricted endowment funds:				
Kosciuszko Chair Endowment (corpus)	2,015,879	-	-	2,015,879
Hayes Endowment (corpus)	500,000	-	-	500,000
	2,515,879	-	-	2,515,879
Total net assets with donor restrictions	$ 8,283,890	$ 793,238	$ (3,116,094)	$ 5,961,034

	2023			
	July 31, 2022	Additions/ Investment Income	Releases	July 31, 2023
Subject to expenditure for a specific purpose or period:				
Aldona scholarship	$ 218,000	$ -	$ (97,917)	$ 120,083
PhD program	257,745	200,000	(110,557)	347,188
Time restricted promises	1,767,884	1,615,106	(1,188,810)	2,194,180
Distance Learning	-	275,035	(211,750)	63,285
Library/Taube Philanthropies	-	73,980	-	73,980
Kosciuszko Chair	-	2,162,048	-	2,162,048
Other	528,089	425,315	(406,289)	547,115
	2,771,718	4,751,484	(2,015,323)	5,507,879
Subject to IWP spending policy and appropriation:				
Kosciuszko Chair Endowment income (loss)	199,912	59,930	(107,673)	152,169
Hayes Endowment income (loss)	87,108	20,855	-	107,963
	287,020	80,785	(107,673)	260,132
Donor-restricted endowment funds:				
Kosciuszko Chair Endowment (corpus)	2,015,879	-	-	2,015,879
Hayes Endowment (corpus)	500,000	-	-	500,000
	2,515,879	-	-	2,515,879
Total net assets with donor restrictions	$ 5,574,617	$ 4,832,269	$ (2,122,996)	$ 8,283,890

Note 14—Endowment

The Institute follows the FASB ASC topic related to endowments of nonprofit organizations, which provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA"). UPMIFA is a model act approved by the Uniform Law Commission (ULC, formerly known as the National Conference of Commissioners on Uniform State Laws) that serves as a guideline for states to use in enacting legislation. In 2008, the District of Columbia enacted UPMIFA. Under UPMIFA, all unappropriated endowment fund assets are considered restricted.

The Board has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Institute classifies as endowments held in perpetuity: (a) the original value of gifts donated to the endowments held in perpetuity, (b) the original value of subsequent gifts to the endowments held in perpetuity, and (c) accumulations to the endowments held in perpetuity made in accordance with the direction of applicable donor gift instruments at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in endowments held in perpetuity is classified as donor-restricted net assets until those amounts are appropriated for expenditure by the Institute in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Institute 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 Institute and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Institute
- The investment policies of the Institute

The Institute's endowment consists of five individually named endowments funds, two of which are restricted by donors to be invested in perpetuity with three others board-designated to function as endowments (quasi-endowment) to support mainly qualifying faculty appointments and scholarships. Assets related to the endowment funds are included in the investments and restricted cash in the statements of financial position. As required by U.S. GAAP, net assets associated with donor-restricted endowment funds are classified as net assets with donor restrictions.

Funds With Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Institute to retain as a fund for perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported as a reduction of net assets with donor restrictions. There were no deficiencies as of July 31, 2024 and 2023.

Return Objectives and Risk Parameters – Management of the endowment assets is designed to ensure a total return (income, plus capital change) necessary to preserve and enhance (in real dollar terms) the principal of the fund and, at the same time, provide a dependable source of support for current operations and programs. Therefore, the Institute's goal for its endowment funds is to preserve and enhance purchasing power after accounting for investment returns, spending and inflation (but excluding gifts).

Strategies Employed for Achieving Objectives – Reasonable diversification is sought at all times. Experience has shown financial markets and inflation rates are cyclical and, therefore, control of volatility will be achieved through diversification of asset classes and selection of managers of diverse investment styles. The Board examines the correlation of the investment portfolio and it has historically had positive returns.

Note 14—Endowment (continued)

Spending Policy – For the Hayes endowment, the Institute's policy is to appropriate 3% of the average of the previous three fiscal years' beginning period endowment values each year. There was no endowment draw for the Hayes endowment for the years ended July 31, 2024 and 2023.

For the Kosciuszko Chair endowment, the Institute's policy is to appropriate no more than 5% of the December 31 fund value of the most recent calendar year.

The Institute's endowment balances, by net asset classification, are as follows as of July 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment	$ 452,358	$ -	$ 452,358
Donor-restricted endowment	-	2,718,415	2,718,415
Total funds	$ 452,358	$ 2,718,415	$ 3,170,773

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment	$ 384,071	$ -	$ 384,071
Donor-restricted endowment	-	2,776,011	2,776,011
Total funds	$ 384,071	$ 2,776,011	$ 3,160,082

The change in endowment net assets for the years ended July 31 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, as of July 31, 2022	$ 360,814	$ 2,802,899	$ 3,163,713
Investment gain, net	17,647	80,785	98,432
Contributions	5,610	-	5,610
Releases	-	(107,673)	(107,673)
Endowment net assets, as of July 31, 2023	384,071	2,776,011	3,160,082
Investment gain, net	68,287	69,004	137,291
Contributions	-	-	-
Releases	-	(126,600)	(126,600)
Endowment net assets, as of July 31, 2024	$ 452,358	$ 2,718,415	$ 3,170,773

Note 15—Pension plan

The Institute maintains a salary reduction defined contribution retirement plan pursuant to Section 403(b) of the IRC. The Institute, at its option, may contribute to the plan on behalf of its eligible employees. Currently, the Institute contributes a match up to 5% of employee salaries. Pension expense totaled $198,020 and $190,876 for the years ended July 31, 2024 and 2023, respectively.

Note 16—Liquidity and availability

The Institute is substantially supported by both annual tuition, restricted contributions and endowments. Because a donor's restriction requires resources to be used in a particular manner, the Institute must maintain sufficient resources to meet those responsibilities to its donors. As part of the Institute's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Institute operates within its budget and monitors reserves to provide reasonable assurance obligations can be satisfied when due. In addition, the Board designates a liquidity reserve of $452,358 and $384,071 for the years ended July 31, 2024 and 2023, respectively, that can be drawn upon in the event of financial distress or an immediate liquidity need. The Institute can also draw upon the $1,000,000 line of credit for any liquidity needs.

The following table represents the Institute's financial assets at July 31:

	2024	2023
Cash and cash equivalents	$ 3,336,637	$ 2,958,420
Restricted cash	554,060	1,089,001
Tuition receivables, net	327,576	272,462
Promises to give, net	1,229,253	4,389,429
Investments	5,418,430	2,969,587
Investments held for split-interest agreements	379,615	367,214
Total financial assets	11,245,571	12,046,113
Less refundable advances held	-	(678,783)
Less annuity obligations	(44,705)	(70,669)
Less net assets with donor restrictions	(5,961,034)	(8,283,890)
Less board designated amounts	(452,358)	(384,071)
Financial assets available to meet operating needs over the next 12 months	$ 4,787,474	$ 2,628,700

Note 17— Financial responsibility – U.S. Department of Education

The Department of Education's financial responsibility ratio requirements (34 CFR 668.172) require that certain information necessary to calculate the financial responsibility ratio be provided and referenced to the financial statements or the footnotes. The schedule requires presentation of property and equipment, net both pre-implementation of the requirements and post-implementation. The Institute's pre-implementation of property and equipment (as of July 31, 2019), less disposals and accumulated depreciation through July 31, 2024, is $8,740,570. The Institute's post-implementation property and equipment, less disposals and accumulated depreciation through July 31, 2024, is $883,467. All post-implementation property and equipment is without outstanding debt.

The following list of related party transactions greater than a de minimis value, defined as $1,000, is provided solely to comply with the Financial Responsibility, Administrative Capability, Certification Procedures, Ability To Benefit regulation promulgated by the U.S. Department of Education:

Name	Location	Relationship	Nature of Transaction	Amount
Bernadette Casy Smith and Owen Smith	Roslyn, NY	Trustee	**Contribution**	$ 50,000
Burk and Elise Murchison	Unknown	Trustee	**Contribution**	23,530
Can Xuan Nguyen	Alexandria, VA	Trustee	**Contribution**	21,000
Donald V. Smith	Princeton, NJ	Trustee	**Contribution/Pledge**	100,000
Douglas MacKinnon	Lakewood Ranch, FL	Trustee	**Contribution**	1,000
Edward F. Reilly, Jr.	Bethesda, MD	Trustee	**Contribution**	38,550
Heidi Leupp	Unknown	Trustee	**Contribution**	6,000
Hon. Mario M. Kranjac	Lenoir, NC	Trustee	**Contribution**	25,000
J. W. and Sophie M. Nicholson	Williamsburg, VA	Trustee	**Contribution**	1,350
Jacqueline Wieland	St. Louis, MO	Trustee	**Contribution**	44,732
John and Susan Lenczowski	Unknown	Trustee	**Contribution**	10,200
John Garvey	Wichita, KA	Trustee	**Contribution**	25,000
John Lovewell, Chairman	Palo Alto, CA	Trustee	**Contribution/Pledge**	97,064
Karla Ahmanson	Beverly Hills, CA	Trustee	**Contribution**	50,258
Long & Kimmy Nguyen Family Foundation	Reston, VA	Trustee	**Contribution**	5,000
Louis DeJoy and Aldona Z Wos	Greensboro, NC	Trustee	**Contribution/Pledge**	755,000
Major General Stephen Sargeant	Unknown	Trustee	**Contribution**	9,260
Naoma J Tate	Cody, WY	Trustee	**Contribution**	2,000
Sean Fieler	Stamford, CT	Trustee	**Contribution**	35,000
Stephen A. Fausel	Silverthorn, CO	Trustee	**Contribution**	20,000
Tidal McCoy Foundation	Great Falls, VA	Trustee	**Contribution**	33,000
William A Shaw	Beverly Hills, CA	Trustee	**Contribution**	11,190
				$ 1,364,133

SUPPLEMENTARY INFORMATION

Cherry Bekaert LLP
Your Guide Forward

Report on Independent Auditor on Supplementary Information

To the Executive Committee
The Institute of World Politics
Washington, D.C.

We have audited the financial statements of The Institute of World Politics (the "Institute") as of and for the years ended July 31, 2024, and have issued our report thereon dated January 8, 2026, which contains an unmodified opinion on those financial statements on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is 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 audits 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Cherry Bekaert LLP

Charlotte, North Carolina
January 8, 2026

THE INSTITUTE OF WORLD POLITICS
FINANCIAL RESPONSIBILITY RATIO SUPPLEMENTAL SCHEDULE

YEAR ENDED JULY 31, 2024

Primary Reserve Ratio:	Components	Totals	Reference to Financial Statement or Related Notes
Expendable Net Assets:			
Net assets without donor restrictions		**$ 8,644,801**	Statement of Financial Position
Net assets with donor restrictions		**5,961,034**	Statement of Financial Position
Secured and Unsecured related party receivable	181,032		Note 3
Unsecured related party receivable		181,032	Note 3
Unsecured other related party assets		-	Not applicable
Property, plant and equipment, net (includes Construction in progress) - Total		**9,624,037**	Statement of Financial Position
Property, plant, and equipment pre-implementation, including capital leases	8,740,570		Note 17
Property, plant, and equipment post-implementation with outstanding debt for original purchase	883,467		Note 17
Property, plant, and equipment post-implementation without outstanding debt for original purchase	-		Note 17
Construction in progress	-		Not applicable
Lease right-of-use asset, net - Total		**43,200**	Not applicable
Lease right-of-use asset, pre-implementation (grandfather of leases option chosen)	-		Not applicable
Lease right-of-use asset, post-implementation	43,200		Note 11
Intangible assets		-	Not applicable
Post-employment and pension liabilities		-	Not applicable
Long-term debt - for long-term purposes		**6,711,385**	Note 17
Long-term debt - for long-term purposes pre-implementation	6,711,385		Not applicable
Long-term debt - for long term purposes post-implementation	-		Statement of Financial Position
Line of Credit for Construction in progress	-		Not applicable
Lease right-of-use asset liability		**27,826**	
Pre-implementation right-of-use asset liability (grandfather of leases option chosen)	-		Not applicable
Post-implementation right-of-use asset liability	27,826		Note 11
Annuities, term endowments and life income with donor restrictions		-	Not applicable
Annuities with donor restrictions	-		Not applicable
Term endowments with donor restrictions	-		Not applicable
Life income funds with donor restrictions	-		Not applicable
Net assets with donor restrictions: Other, for purpose or time	3,242,619		Computation
Net assets with donor restrictions: restricted in perpetuity		**2,718,415**	Note 14
Total Expendable Net Assets (Formula)		**$ 8,778,362**	Computation
Total Expenses and Losses:			
Total expenses without donor restrictions		**$ 11,875,339**	Statement of Activities
Nonoperating and Net Investment (loss)	-		Not applicable
Other components of net periodic pension costs		-	Not applicable
Change in value of split-interest agreements		12,401	Statement of Cashflow
Other losses		-	Not applicable
Debt at June 30, 2025:	-		Not applicable
Pension-related changes other than net periodic costs	-		Not applicable
Total Expenses and Losses (Formula)		**$ 11,887,740**	Computation

THE INSTITUTE OF WORLD POLITICS
FINANCIAL RESPONSIBILITY RATIO SUPPLEMENTAL SCHEDULE (CONTINUED)

YEAR ENDED JULY 31, 2024

Equity Ratio:	**Components**	**Totals**	**Reference to Financial Statement or Related Notes**
Total at June 30, 2025			
Net assets without donor restrictions		$ 8,644,801	Statement of Financial Position
Net assets with donor restrictions:		5,961,034	Statement of Financial Position
Lease right-of-use asset pre-implementation		-	Not applicable
Pre-implementation right-of use liabilities		-	Not applicable
Intangible assets		-	Not applicable
Unsecured related party receivables		181,032	Note 3
Total Modified Net Assets (Formula)		**$ 14,424,803**	Computation

Modified Assets:			
Total assets		**$ 21,792,756**	Statement of Financial Position
Lease right-of-use asset pre-implementation		-	Not applicable
Pre-implementation right-of-use liabilities		-	Not applicable
Intangible assets		-	Not applicable
Unsecured related party receivables		181,032	Note 3
Total Modified Assets (Formula)		**$ 21,611,724**	Computation

Net Income Ratio:	**Components**	**Totals**	
Change in Net Assets Without Donor Restrictions		**$ 2,087,128**	Statement of Activities
Total revenues without donor restrictions and gains without donor restrictions:			
Total Operating Revenues and Other Additions (Gains)		**$ 12,746,326**	Statement of Activities
Nonoperating and Net Investment Gain		**1,179,414**	Statement of Activities
Nonoperating Revenue and Other Gains		**36,727**	Statement of Activities
Total revenues without donor restrictions and gains without donor restrictions: (Formula)		**$ 13,962,467**	Computation