

STUDENT VETERANS OF AMERICA
FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2025 AND 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAAconnect.com

**STUDENT VETERANS OF AMERICA
TABLE OF CONTENTS
YEARS ENDED MARCH 31, 2025 AND 2024**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	4
STATEMENTS OF FUNCTIONAL EXPENSES	5
STATEMENTS OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8



INDEPENDENT AUDITORS' REPORT

Board of Directors
Student Veterans of America
Washington, DC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Student Veterans of America (SVA), which comprise the statements of financial position as of March 31, 2025 and 2024, the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SVA as of March 31, 2025 and 2024, and 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 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 SVA 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 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 SVA's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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



CliftonLarsonAllen LLP

Arlington, Virginia
August 14, 2025

**STUDENT VETERANS OF AMERICA
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Cash Equivalents		
Operating	\$ 1,598,788	\$ 4,736,267
Board Designated	<u>1,000,000</u>	<u>1,000,000</u>
Total Cash and Cash Equivalents	2,598,788	5,736,267
Grants and Contributions Receivable, Net	1,325,505	2,030,276
Accounts Receivable	1,032	20,062
Investments	546,092	521,964
Prepaid Expenses and Other Assets	239,100	296,058
Property and Equipment, Net	326,583	108,687
Right-of-Use Asset - Operating, Net	<u>1,233,784</u>	<u>86,673</u>
Total Assets	<u><u>\$ 6,270,884</u></u>	<u><u>\$ 8,799,987</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 1,822,653	\$ 199,876
Lease Liability - Operating	<u>1,305,113</u>	<u>121,280</u>
Total Liabilities	3,127,766	321,156
NET ASSETS		
Without Donor Restrictions		
Undesignated	57,206	1,800,558
Board-Designated	<u>1,000,000</u>	<u>1,000,000</u>
Total Net Assets Without Donor Restrictions	1,057,206	2,800,558
With Donor Restrictions	<u>2,085,912</u>	<u>5,678,273</u>
Total Net Assets	<u>3,143,118</u>	<u>8,478,831</u>
Total Liabilities and Net Assets	<u><u>\$ 6,270,884</u></u>	<u><u>\$ 8,799,987</u></u>

See accompanying Notes to Financial Statements.

**STUDENT VETERANS OF AMERICA
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED MARCH 31, 2025 AND 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Grants and Contributions	\$ 1,823,375	\$ 597,311	\$ 2,420,686	\$ 1,508,732	\$ 1,529,600	\$ 3,038,332
Loss on Write-off of Pledge	-	(307,500)	(307,500)	-	-	-
Conference Fees	496,715	-	496,715	581,529	-	581,529
Other Income	29,831	-	29,831	35,626	-	35,626
Donated Goods and Services	743,253	-	743,253	1,028,170	-	1,028,170
Investment Return, Net	137,534	-	137,534	64,149	-	64,149
Net Assets Released from Restrictions	3,882,172	(3,882,172)	-	2,104,735	(2,104,735)	-
Total Revenue and Support	7,112,880	(3,592,361)	3,520,519	5,322,941	(575,135)	4,747,806
EXPENSES						
Program Services:						
Program and Chapter Services	5,988,811	-	5,988,811	6,561,322	-	6,561,322
Government Affairs	652,906	-	652,906	580,417	-	580,417
Research	440,993	-	440,993	300,047	-	300,047
Communications and Marketing	654,705	-	654,705	308,416	-	308,416
Total Program Services	7,737,415	-	7,737,415	7,750,202	-	7,750,202
Supporting Services:						
General and Administrative	490,466	-	490,466	949,012	-	949,012
Fundraising	628,351	-	628,351	559,270	-	559,270
Total Supporting Services	1,118,817	-	1,118,817	1,508,282	-	1,508,282
Total Expenses	8,856,232	-	8,856,232	9,258,484	-	9,258,484
CHANGE IN NET ASSETS	(1,743,352)	(3,592,361)	(5,335,713)	(3,935,543)	(575,135)	(4,510,678)
Net Assets - Beginning of Year	2,800,558	5,678,273	8,478,831	6,736,101	6,253,408	12,989,509
NET ASSETS - END OF YEAR	<u>\$ 1,057,206</u>	<u>\$ 2,085,912</u>	<u>\$ 3,143,118</u>	<u>\$ 2,800,558</u>	<u>\$ 5,678,273</u>	<u>\$ 8,478,831</u>

See accompanying Notes to Financial Statements.

**STUDENT VETERANS OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2025**

	Program Services					Supporting Services			
	Program and Chapter Services	Government Affairs	Research	Communications and Marketing	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries and Benefits	\$ 1,490,918	\$ 362,717	\$ 288,972	\$ -	\$ 2,142,607	\$ 282,966	\$ 432,969	\$ 715,935	\$ 2,858,542
Meetings and Conferences	1,876,810	26,496	3,879	-	1,907,185	2,869	4,928	7,797	1,914,982
Professional Services	1,035,510	30,224	23,922	-	1,089,656	570	56,826	57,396	1,147,052
Travel	432,719	65,114	27,722	4,974	530,529	-	34,239	34,239	564,768
IT and Telecommunications	278,554	22,089	21,191	-	321,834	12,542	29,310	41,852	363,686
Legal and Accounting Fees	146,575	35,830	28,360	-	210,765	25,038	43,005	68,043	278,808
Facility and Equipment	60,396	60,396	-	-	120,792	151,001	-	151,001	271,793
Advertising and Promotion	209,673	274	217	11,868	222,032	39	484	523	222,555
Grants, Contracts, and Direct Assistance	170,864	16,694	-	-	187,558	233	401	634	188,192
Licenses and Fees	47,196	17,036	38,203	1,528	103,963	553	13,259	13,812	117,775
Mailing and Production	52,361	8,932	6,119	-	67,412	5,402	9,279	14,681	82,093
Other Expenses	39,669	7,104	2,408	13	49,194	1,888	3,651	5,539	54,733
Marketing and Communication	8,000	-	-	40,000	48,000	-	-	-	48,000
Donated Goods and Services:									
Advertising and Promotion	139,566	-	-	-	139,566	-	-	-	139,566
Marketing and Communication	-	-	-	596,322	596,322	-	-	-	596,322
Other Expenses	-	-	-	-	-	7,365	-	7,365	7,365
Total Expenses	<u>\$ 5,988,811</u>	<u>\$ 652,906</u>	<u>\$ 440,993</u>	<u>\$ 654,705</u>	<u>\$ 7,737,415</u>	<u>\$ 490,466</u>	<u>\$ 628,351</u>	<u>\$ 1,118,817</u>	<u>\$ 8,856,232</u>

See accompanying Notes to Financial Statements.

**STUDENT VETERANS OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024**

	Program Services					Supporting Services			
	Program and Chapter Services	Government Affairs	Research	Communications and Marketing	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries and Benefits	\$ 1,530,061	\$ 287,956	\$ 144,729	\$ 2,170	\$ 1,964,916	\$ 588,690	\$ 287,440	\$ 876,130	\$ 2,841,046
Meetings and Conferences	1,647,667	8,381	1,414	17	1,657,479	2,386	4,661	7,047	1,664,526
Professional Services	978,198	100,943	43,924	121,409	1,244,474	158,672	107,228	265,900	1,510,374
IT and Telecommunications	609,536	26,833	56,910	202	693,481	52,927	28,713	81,640	775,121
Travel	273,049	64,177	9,897	57	347,180	-	30,267	30,267	377,447
Facility and Equipment	172,775	32,504	16,337	245	221,861	66,450	32,446	98,896	320,757
Grants, Contracts, and Direct Assistance	185,450	2,524	1,642	17	189,633	4,646	2,269	6,915	196,548
Legal and Accounting Fees	103,159	19,415	9,758	146	132,478	39,692	19,380	59,072	191,550
Advertising and Promotion	126,397	5,239	1,516	20	133,172	-	14,752	14,752	147,924
Mailing and Production	69,431	3,581	1,519	23	74,554	6,178	3,031	9,209	83,763
Licenses and Fees	26,115	26,186	11,189	29	63,519	994	10,705	11,699	75,218
Other Expenses	14,886	2,678	1,212	18	18,794	4,868	2,378	7,246	26,040
Marketing and Communication	-	-	-	4,000	4,000	-	16,000	16,000	20,000
Donated Goods and Services									
Advertising and Promotion	824,598	-	-	-	824,598	-	-	-	824,598
Marketing and Communication	-	-	-	180,063	180,063	-	-	-	180,063
Other Expenses	-	-	-	-	-	23,509	-	23,509	23,509
Total Expenses	<u>\$ 6,561,322</u>	<u>\$ 580,417</u>	<u>\$ 300,047</u>	<u>\$ 308,416</u>	<u>\$ 7,750,202</u>	<u>\$ 949,012</u>	<u>\$ 559,270</u>	<u>\$ 1,508,282</u>	<u>\$ 9,258,484</u>

See accompanying Notes to Financial Statements.

**STUDENT VETERANS OF AMERICA
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (5,335,713)	\$ (4,510,678)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Used in Operating Activities:		
Depreciation and Amortization	78,861	96,295
Loss on Sale of Property and Equipment	7,620	-
Loss on Write-Off of Grant Receivable	307,500	-
Noncash Lease Expense - Operating	158,627	203,824
Changes in Assets and Liabilities:		
Grants and Contributions Receivable, Net	397,271	1,397,226
Accounts Receivable, Net	19,030	87,945
Prepaid Expenses and Other Assets	56,958	(188,866)
Accounts Payable and Accrued Expenses	1,468,708	151,923
Lease Liability - Operating	(121,905)	(281,012)
Net Cash Used by Operating Activities	<u>(2,963,043)</u>	<u>(3,043,343)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(24,128)	(272,596)
Purchases of Property and Equipment	<u>(150,308)</u>	<u>-</u>
Net Cash Used in Investing Activities	<u>(174,436)</u>	<u>(272,596)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(3,137,479)	(3,315,939)
Cash and Cash Equivalents - Beginning of Year	<u>5,736,267</u>	<u>9,052,206</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,598,788</u></u>	<u><u>\$ 5,736,267</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Accrual of Leasehold Improvements In Progress	<u>\$ 154,069</u>	<u>\$ -</u>
Right-of-Use Asset Exchanged for Lease Liability	<u><u>\$ 1,288,946</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Student Veterans of America (SVA) was incorporated under the laws of the state of Michigan on January 23, 2008. SVA was formed to provide financial and educational assistance to student veteran organizations established on university and college campuses across the United States, aimed at assisting with the transition of veterans who have served, or who are serving in the U.S. military, into campus life and the civilian community; to offer financial and educational assistance to student veterans attending colleges and universities in the U.S.; and to educate and inform student veterans regarding the rights and opportunities which are available to them as veterans through federal, state and local governments and their respective institutions. These activities are primarily funded from grants and contributions.

Basis of Accounting

The accompanying financial statements of SVA are presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

SVA is exempt from the payment of income taxes on its exempt activities under the provisions of Section 501(c)(3) of the Internal Revenue Code. SVA is subject to tax only on its net unrelated business income. Federal and District of Columbia income taxes related to this was \$-0- for the years ended March 31, 2025 and 2024.

SVA has adopted the authoritative guidance relating to accounting for uncertainty in income taxes included in Accounting Standards Codification (ASC) Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. SVA evaluated its uncertainty in income taxes for the year ended March 31, 2025, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of March 31, 2025, the statute of limitations for tax years 2019 through 2022 remain open with the U.S. federal jurisdiction or the various states and local jurisdictions in which SVA files tax returns. It is SVA's policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax expense.

Cash Equivalents

SVA considers all highly liquid instruments with original maturities of three months or less to be cash equivalents. All other highly liquid instruments, which are to be used for the long-term purposes of SVA, are classified as investments.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Contributions Receivable

Unconditional promises to give are recognized as grants and contributions receivable in the year the promises are made. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk adjusted interest rates commensurate with the risk involved applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contributions revenue. Management considers all promises to give to be fully collectible; therefore, no allowance for uncollectible pledges has been established.

Accounts Receivable

SVA uses a combination of historical loss information based on the aging of receivables, current economic conditions, and forward-looking information to determine expected credit losses for receivables and believes that the composition of accounts receivable at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. Based on SVA's analysis, an allowance for credit loss is not needed.

Significant inputs and assumptions used in the estimation of credit losses may include:

- Historical loss experience
- Current economic conditions
- Economic indicators

Investments

Investments consist of certificates of deposit. These investments are recorded at cost, which approximates fair market value. Purchases and sales are reflected on a trade-date basis. Interest income is recorded on an accrual basis.

Property and Equipment

Property and equipment are recorded at cost. SVA recognizes costs incurred in the development of its website in accordance with the provisions of the accounting standards for website development costs. Accordingly, costs incurred for planning and operating the website are expensed, whereas costs incurred in developing the applications and infrastructure are capitalized and amortized on a straight-line basis over an estimated useful life of three years. Leasehold improvements are recorded at cost and amortized over the shorter of the remaining lease term or the estimated useful life. Depreciation on furniture, fixtures and equipment, and computers is provided for on a straight-line basis over the estimated useful lives of the assets, which range from three to ten years. The cost of property and equipment retired or disposed of is removed from the accounts, along with the related accumulated depreciation, and any gain or loss is reflected in income or expense in the accompanying statements of activities. Major additions of \$2,500 and greater are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

SVA leases office space. SVA determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating on the statements of financial position.

The ROU asset represents the SVA's right to use an underlying asset for the lease term and the lease liability represents SVA's obligation to make lease payments arising from the lease. The ROU asset and lease liability are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, SVA uses the risk-free rate based on information available at commencement date in determining the present value of lease payments. The ROU asset also includes the lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that SVA will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. SVA has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

SVA's lease agreement do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, SVA considers factors such as if SVA has obtained substantially all of the rights to the underlying asset through exclusivity, if SVA can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Represent resources that are neither invested in perpetuity, nor purpose or time restricted by donor-imposed stipulations. The governing board has designated, from net assets without donor restrictions, certain amounts for an operating reserve fund.

Net Assets With Donor Restrictions – Represent resources whose use is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of SVA pursuant to these stipulations. Net assets may be restricted for various purposes, such as use in future periods or use for specified purposes.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

SVA recognizes revenue when it satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration SVA expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, SVA combines it with other performance obligations until a distinct bundle of goods or services exists. SVA expects that the period between when SVA transfers goods and services to its customers and when the customers pay for those goods and services will be one year or less. Therefore, SVA has elected the practical expedient not to adjust the promised amount of consideration for the effects of a significant financing component. Amounts received in advance of services performed, but not yet earned, are recorded as deferred revenue. Economic downturns can affect the level of revenues for all the revenue streams or can have a positive impact on cash flows in good economic times. In addition, sponsorships for meeting or conference related revenues can be affected by the location of the meeting or conference.

Grants and Contributions

SVA recognizes all unconditional contributed support in the year in which the commitment is made. SVA reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. SVA also reports investment income on funds with donor restrictions as revenue with donor restrictions. When expenses in accordance with the donors' restrictions are incurred, 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. Amounts that have not been collected as of year-end are included in grants and contributions receivable in the accompanying statements of financial position. Conditional contributions, 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 substantially met. There were \$370,938 and \$-0- conditional contributions as of March 31, 2025 and 2024.

Conference Fees – Event Registration

Event registration revenue includes revenue from registrations related to meetings or conferences. Performance obligations are satisfied at the time of the meeting or conference when the services are transferred. Any receipts of registration revenue in advance of this time is deferred until the time of the event. Discounts are offered for early payment for registration depending on the time of purchase. Refunds are for registrations up to 30 days before the event. Refunds after that date will be issued with management's discretion. No refunds will be issued after the conclusion of the event. No events occurred less than 30 days after year-end; therefore, there is no refund liability for SVA. Payment is primarily due at the time of purchase.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Conference Fees – Event Sponsorship and Exhibitions

Event sponsorship and exhibitions revenue includes revenue from exhibit space and sponsorship related to meetings or conferences. There are several levels of sponsorship for conferences. Sponsors receive benefits such as conference registration, exhibit tables and other brand awareness, recognition within the meetings program, and other benefits. There are no refunds for exhibit space and sponsorships. Payment is primarily due prior to the event. Management considers these benefits as nominal in nature, and as such the revenue related to event sponsorships and exhibitions is recognized as an unconditional contribution.

Donated Goods and Services

Donated goods and services consist of goods and services for the National Conference and general and administrative supporting services that are recognized as revenue and expense in the accompanying statements of activities and change in net assets at their estimated fair value, as provided by the donor at the date of receipt. All donated goods and services received were classified as without donor restrictions.

For the year ended March 31, 2025, SVA recorded \$743,253 of contributed services. Of this amount, \$735,887 was utilized for programs and \$7,365 for supporting services as more fully described on the 2025 statement of functional expenses.

For the year ended March 31, 2024, SVA recorded \$1,028,170 of contributed services. Of this amount, \$1,004,661 was utilized for programs and \$23,509 for general administrative and fundraising services as more fully described on the 2024 statement of functional expenses.

Other details of the contributed nonfinancial assets received during the years ended March 31, 2025 and 2024 are as follows:

2025	Revenue	Donor	Valuation Techniques
<u>Contributed Nonfinancial Assets Received</u>	<u>Recognized</u>	<u>Restrictions</u>	<u>and Inputs</u>
Online Advertising	\$ 711,953	None	Advertising Rate as Provided by Donor
Tickets and Parking Pass	24,900	None	Ticket Rates as Provided by Donor
Coffee Bag Donations	6,400	None	Estimates of Materials Received
Total	<u>\$ 743,253</u>		

2024	Revenue	Donor	Valuation Techniques
<u>Contributed Nonfinancial Assets Received</u>	<u>Recognized</u>	<u>Restrictions</u>	<u>and Inputs</u>
Public Service Announcement Air Time ⁽¹⁾	\$ 717,258	None	Airtime Rate as Provided by Donor
Online Advertising	275,883	None	Advertising Rate as Provided by Donor
Pro Bono Law Services	23,509	None	Estimates of Time and Actual Rates as Provided by Donor
Coffee Bag Donations	11,520	None	Estimates of Materials Received
Total	<u>\$ 1,028,170</u>		

(1) SVA produces and distributes public service television announcements that focus attention on student veterans' transition to campus life and the civilian community. These public service announcements are distributed to a media station nationwide and run free of charge.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Contract Asset Balances

Beginning and ending contract asset balances were as follows:

	March 31, 2025	March 31, 2024	March 31, 2023
Accounts Receivable	<u>\$ 1,032</u>	<u>\$ 20,062</u>	<u>\$ 108,007</u>

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and change in net assets. Salaries and benefits are allocated proportionately among the programs and supporting services to which they relate on the basis of management's best estimate of each employee's time spent on each program or supporting services function. Certain costs have been allocated proportionately among the programs and supporting services to which they relate on the basis of salaries. The expenses that are allocated include occupancy, conference and meetings, travel, information technology, depreciation, dues and subscriptions, advertising and marketing, office expenses, and other expenses.

Reclassification

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

Subsequent Events

In preparing these financial statements, SVA has evaluated subsequent events for potential recognition or disclosure through August 14, 2025, the date the financial statements were available to be issued. Other than the event disclosed in Note 9, SVA has determined that there are no subsequent events that have occurred which required adjustment or disclosure in the financial statements.

NOTE 2 CONCENTRATIONS

Credit Risk

SVA's assets that are exposed to credit risk consist primarily of cash and cash equivalents, investments, grants and contributions receivable, and accounts receivable. Cash and cash equivalents are maintained at financial institutions and, at times during the year, balances may exceed federally insured limits. SVA monitors the creditworthiness of these institutions and has not experienced any historical credit losses on its cash and cash equivalents. Investments are subject to market fluctuations that may materially affect the investment balance. The grants and contributions receivable and accounts receivable balances consist primarily of amounts due from organizations for grants and contributions and conference fees. Management reviews the grants and contributions receivable and accounts receivable balances as a whole to determine the necessity for an allowance for doubtful accounts.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 2 CONCENTRATIONS (CONTINUED)

Revenue

During the year ended March 31, 2025, grants and contributions from two funders accounted for 27% of the total revenue and support. During the year ended March 31, 2024, grants and contributions from one funder accounted for 23% of the total revenue and support. As of March 31, 2025, 75% of grants and contributions receivable was due from one funder. As of March 31, 2024, 100% of grants and contributions receivable was due from two funders.

NOTE 3 LIQUIDITY AND AVAILABILITY

The following reflects SVA's financial assets as of the date of the statements of financial position, reduced by amounts not available for general expenditure within one year of the date of the statements of financial position because of donor-imposed or other restrictions.

	2025	2024
Cash and Cash Equivalents	\$ 2,598,788	\$ 5,736,267
Grants and Contributions Receivable, Net	1,325,505	2,030,276
Accounts Receivable, Net	1,032	20,062
Investments	546,092	521,964
Total	4,471,417	8,308,569
Less: Donor-Restricted Funds	(2,085,912)	(5,678,273)
Less: Board-Designated Funds	(1,000,000)	(1,000,000)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,385,505</u>	<u>\$ 1,630,296</u>

SVA is substantially supported by restricted grants and contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, SVA must maintain sufficient resources to meet those responsibilities to its donors. Thus, the financial assets may not be available for general expenditures within one year (see Note 9). All unconditional promises to give expected to be collected within one year are available for general expenditures. As part of SVA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 4 GRANTS AND CONTRIBUTIONS RECEIVABLE

As of March 31, 2025 and 2024, grants and contributions receivable consists of the following due from corporations and foundations:

	2025	2024
Due within One Year	\$ 834,635	\$ 1,057,500
Due One to Five Years	500,000	1,000,000
Total	1,334,635	2,057,500
Less: Present Value Discount	(9,130)	(27,224)
Total Net Grants and Contributions Receivable	<u>\$ 1,325,505</u>	<u>\$ 2,030,276</u>

Discount rates ranging from 1.86% to 3.46% were used as of March 31, 2025 and 2024, representing the risk adjusted rate of return when each pledge was received.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31, 2025 and 2024:

	2025	2024
Leasehold Improvements	\$ 90,295	\$ 265,932
Furniture and Fixtures	61,058	140,635
Website Development Costs	222,600	283,193
Computer and Other Equipment	25,546	131,120
Leasehold Improvements in Progress	154,069	-
Total	553,568	820,880
Less: Accumulated Depreciation and Amortization	(226,985)	(712,193)
Property and Equipment, Net	<u>\$ 326,583</u>	<u>\$ 108,687</u>

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available with the following restrictions at March 31, 2025 and 2024:

	2025	2024
Subject to Expenditure for Specified Purpose:		
Chapter Services and Grants	\$ 1,542,518	\$ 4,206,465
Career Center	246,652	1,309,966
Strategic Support	194,242	-
Scholarships	102,500	161,842
Total Restrictions	<u>\$ 2,085,912</u>	<u>\$ 5,678,273</u>

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses that satisfied purpose restrictions or receipt of payment that satisfied time restrictions. For the years ended March 31, 2025 and 2024, net assets released from restrictions were as follows:

	2025	2024
Satisfaction of Time Restrictions	\$ -	\$ 25,000
Satisfaction of Purpose Restrictions:		
Chapter Services and Grants	2,356,447	1,380,101
Career Center	1,263,313	65,034
Scholarship	139,342	634,600
National Conference	49,500	-
Strategic Support	48,570	-
Regional Summits	25,000	-
Total Net Assets Released from Donor Restrictions	<u>\$ 3,882,172</u>	<u>\$ 2,104,735</u>

NOTE 7 COMMITMENTS AND CONTINGENCIES

Operating Leases

SVA leases office space for its headquarters in Washington, DC, under the terms of a non-cancellable operating lease which expired on August 31, 2024. SVA signed a new non-cancellable operating lease on September 6, 2024 that expires on April 30, 2036. Rent escalates 3% annually over the term of the lease. In addition, SVA received rent concessions at the inception of the lease as well as concession for the first 19 months of the lease.

The following tables provide quantitative and qualitative information concerning the SVA's lease as of and for the years ended March 31:

	2025	2024
Right-of-Use Asset	\$ 1,288,946	\$ 486,594
Right-of-Use Asset Accumulated Amortization	(55,162)	(399,921)
Total Lease Cost	<u>\$ 1,233,784</u>	<u>\$ 86,673</u>
	2025	2024
Operating Lease Cost	\$ 170,517	\$ 209,516
Short-Term Lease Cost	14,494	5,501
Total Lease Cost	<u>\$ 185,011</u>	<u>\$ 215,017</u>
	2025	2024
Other Information:		
Operating Cash Flows from Operating Lease	\$ 121,905	\$ 289,023
Right-of-Use Asset Obtained in Exchange for New		
Operating Lease Liability	\$ 1,277,140	\$ -
Remaining Lease Term - Operating Lease	10.9 Years	0.4 Years
Discount Rate - Operating Lease	3.72%	2.06%

**STUDENT VETERANS OF AMERICA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024**

NOTE 7 COMMITMENT AND CONTINGENCIES (CONTINUED)

A maturity analysis of annual undiscounted cash flows for the lease liability as of March 31, 2025 is as follows:

<u>Year Ending March 31,</u>	<u>Amount</u>
2026	\$ -
2027	135,539
2028	151,027
2029	154,804
2030	158,674
Thereafter	1,038,980
Total Lease Payments	1,639,024
(Less) Imputed Interest	(333,911)
Present Value of Lease Liability	<u>\$ 1,305,113</u>

Hotel Commitments

SVA has entered into hotel contracts for events through 2030. These contracts contain clauses whereby SVA may be liable for liquidated damages in the event of cancellation. As of March 31, 2025, the maximum liquidated damages under these agreements total approximately \$1,162,500.

NOTE 8 RETIREMENT PLAN

SVA sponsors a defined contribution plan, which covers all employees who have been employed for at least three months and are 21 years of age. Employees are fully vested in the Plan after three years of service. Employees are eligible to participate and SVA contributed up to 4% of employee's eligible earnings from April 1 to March 31. The plan permits additional voluntary contributions by each employee up to annual Internal Revenue Service limits. Employer matching contribution expense totaled \$58,685 and \$66,088 for the years ended March 31, 2025 and 2024, respectively.

NOTE 9 OPERATIONS

As shown in the accompanying financial statements, SVA has incurred operating losses during the fiscal years ending March 31, 2025 and 2024 as a result of declining revenues. As of March 31, 2025, SVA had insufficient financial assets available for general expenditures (see Note 3).

Management has taken proactive and strategic steps to mitigate the risks related to declining revenue, including diversified funding streams, cultivation of significant donor relationships, expanded grant opportunities, and operational efficiencies. Subsequent to year-end, these efforts resulted in SVA receiving a new grant award totaling \$4,000,000 to be used for specific programs (including \$480,000 of the grant available for indirect costs), and grant award for \$750,000 to be used for general operations. Management will continue to closely monitor financial performance and adjust strategies as necessary to maintain SVA's financial health and mission impact. In addition, management will continue to implement cost-saving measures in its operations.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.