Anita Borg Institute for Women and Technology

Consolidated Financial Statements

December 31, 2020

TABLE OF CONTENTS

BPM

10 Almaden Boulevard, Suite 1000, San Jose, CA 95113
Phone 408-961-6300 | **Fax** 408-961-6324 | bpm@bpmcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Anita Borg Institute for
Women and Technology
Belmont, California

We have audited the accompanying consolidated financial statements of Anita Borg Institute for Women and Technology (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 12 to the financial statements, the COVID-19 Pandemic has effected the Organization's business model and structure for hosting programs and events throughout 2020. Our opinion is not modified with respect to that matter.

Report on Consolidating Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BPM LLP

San Jose, California
August 30, 2021

ANITA BORG INSTITUTE FOR WOMEN AND TECHNOLOGY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2020

ASSETS

Cash and cash equivalents	$	4,499,422
Restricted cash		43,147
Accounts receivable, net allowance of $27,650		2,371,888
Investments		11,721,185
Restricted investments		423,012
Prepaid expenses and other current assets		1,015,300
Leasehold improvements, net		421,908
Leasehold improvements not yet placed in service		770,572
Equipment, net		312,091
Total assets	$	21,578,525

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable	$	1,681,607
Accrued expenses		1,035,906
Deferred revenue		4,629,928
Deferred rent		1,228,762
Note payable from Paycheck Protection Program		1,872,600
Capital leases		198,407
Total liabilities		10,647,210
Commitments and contingencies (Note 12)		
Net assets:		
Net assets without donor restrictions:		
AnitaB.org		9,624,122
Controlling interest in for-profit India entity		67,454
Total net assets without donor restrictions		9,691,576
Net assets with donor restrictions		1,239,739
Total net assets		10,931,315
Total liabilities and net assets	$	21,578,525

Anita Borg Institute for Women and Technology

Consolidated Statement of Activities

For the year ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support, revenue and gains:			
Public support:			
Sponsorships	$ 8,417,314	$ -	$ 8,417,314
Contributions	1,231,071	773,573	2,004,644
Donated services	316,650	-	316,650
Registration fees	7,431,754	-	7,431,754
Programs	4,160,211	-	4,160,211
Investment income, net	167,895	107,263	275,158
Other income	36,354	-	36,354
Net assets released from donor restrictions	203,762	(203,762)	-
Total support, revenue and gains	21,965,011	677,074	22,642,085
Expenses:			
Program services:			
Grace Hopper Conference	16,525,564	-	16,525,564
Other events	4,742,379	-	4,742,379
Support services:			
Management and general	6,583,426	-	6,583,426
Fund development	527,488	-	527,488
Total expenses	28,378,857	-	28,378,857
Change in net assets	(6,413,846)	677,074	(5,736,772)
Controlling interest in for-profit India entity	1,860	-	1,860
Change in net assets including controlling interest in for-profit India entity	(6,411,986)	677,074	(5,734,912)
Net assets, beginning of year	16,103,562	562,665	16,666,227
Net assets, end of year	$ 9,691,576	$ 1,239,739	$ 10,931,315

ANITA BORG INSTITUTE FOR WOMEN AND TECHNOLOGY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2020

	Program Services			Supporting Services			
	Grace Hopper Conference	Other Events	Total	Management and General	Fund Development	Total	Total
Employees and related benefits	$ 4,402,116	$ 3,056,576	$ 7,458,692	$ 3,749,890	$ 498,580	$ 4,248,470	$ 11,707,162
Event direct costs	8,429,502	49,429	8,478,931	1,535	1,452	2,987	8,481,918
Professional services	1,068,268	743,874	1,812,142	2,017,311	3,961	2,021,272	3,833,414
Grants	970,503	213,755	1,184,258	-	-	-	1,184,258
Rent	348,674	146,463	495,137	578,997	-	578,997	1,074,134
Office expenses	660,123	162,634	822,757	47,276	15,751	63,027	885,784
Advertising and promotion	413,314	268,915	682,229	51,468	1,194	52,662	734,891
Travel	150,242	66,576	216,818	70,026	6,550	76,576	293,394
Depreciation and amortization	68,781	29,478	98,259	57,381	-	57,381	155,640
Insurance	5,390	3,176	8,566	9,542	-	9,542	18,108
Currency exchange loss	8,651	1,503	10,154	-	-	-	10,154
Total	$ 16,525,564	$ 4,742,379	$ 21,267,943	$ 6,583,426	$ 527,488	$ 7,110,914	$ 28,378,857

ANITA BORG INSTITUTE FOR WOMEN AND TECHNOLOGY

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2020

Cash flows from operating activities:	
Change in net assets:	$ (5,734,912)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Net realized and unrealized gain from changes in fair value of investments	(37,944)
Depreciation and amortization	155,640
Increase in assets:	
Accounts receivable	39,590
Prepaid expenses and other assets	125,180
Increase (decrease) in liabilities:	
Accounts payable	415,564
Accrued expenses	(190,487)
Deferred revenue	4,042,357
Deferred rent	501,989
Net cash used in operating activities	(683,023)
Cash flow from investing activities:	
Purchase of property and equipment	(796,140)
Purchase of investments	(234,929)
Proceeds from sale of investments	10,000
Net cash used in investing activities	(1,021,069)
Cash flow from financing activities:	
Proceeds from Payroll Protection Program	1,872,600
Payments on capital lease	(80,434)
Net cash provided by investing activities	1,792,166
Net increase in cash, cash equivalents and restricted cash	88,074
Cash, cash equivalents and restricted cash, beginning of the year	4,454,495
Cash, cash equivalents and restricted cash, end of the year	$ 4,542,569
Summary of cash, cash equivalents, and restricted cash:	
Cash and cash equivalents	$ 4,499,422
Restricted cash	43,147
	$ 4,542,569
Supplemental noncash activities in cash flows:	
Purchase of property and equipment through capital lease	$ 278,841

1. Organization

Anita Borg Institute for Women and Technology ("AnitaB.org") was founded in 1997 and is a nonprofit organization that provides platforms designed to ensure women's voices, ideas, and spirits will result in higher levels of technical innovation.

On February 14, 2020, the Organization established a for-profit India entity, Anitab Womens Technology Programmes Private Limited ("AWTP"), incorporated under the Government of India Ministry of Corporate Affairs. AWTP was registered pursuant to sub-section (2) of section 7 and sub-section (I) of section 8 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014. A Tax Deduction Account Number has been obtained from the Income Tax Department of the Government of India. The subsidiary was established to further increase the impact of women on all aspects of technology, and to increase the positive impact of technology on the lives of the world's women. AnitaB.org will ultimately own 99.99% of the Indian subsidiary when the 99.99% ownership has been transferred; currently the 99.99% ownership is held by a partner of an Indian consulting firm engaged by AnitaB.org. India requires the ownership to be a minimum of two shareholders; one shareholder is required by law to be an Indian citizen. The remaining .01% is and will be held by a second partner of the consulting firm referred to above.

AnitaB.org and AWTP (collectively the "Organization") fulfill the Organization's missions through hosting and delivering the Grace Hopper Conference US ("GHC") and the Grace Hopper Conference India ("GHCI"), and through other program services. Sources of revenue include contributions, qualified event sponsorships, registration and application fees, and grants from corporations, foundations, individuals, and government agencies.

The following programs and supporting services are included in the accompanying financial statements:

Programs – that are changing the world for women and for technology. The participants in the programs are an unusual mix of academic and industry professionals, and include many of the technology thought leaders of today. The impact is significant on the lives and careers of women who work in the technology field and are affected by technology. The Organization's mission is to increase the impact of women on all aspects of technology, and to increase the positive impact of technology on the lives of the world's women.

The Organization works with academia to develop programs that change the way in which technology is taught, and with industry to develop programs that change product/technology development. These programs are designed to help industry, academia, and government recruit, retain, and develop women technology leaders. The Organization provides events, awards, and coverage that celebrates the women who change the face of technology and increase their visibility with others.

Management and General – includes the functions necessary to support the programs, ensure an adequate working environment, secure proper administrative functioning of the management and Board of Trustees, and manage the financial and budgetary responsibilities of the Organization.

Fund Development – provides the structure necessary to encourage and secure financial support from individuals, foundations, and corporations.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Consequently, revenue and the related assets are recognized when earned and expenses and related liabilities are recognized as incurred. The consolidated financial statements include all accounts of AnitaB.org and AWTP for which it has a controlling interest. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with U.S. GAAP.

For consolidated financial statement purposes, all consolidated financial transactions are reported by class of net assets as prescribed for not-for-profit organizations by the Financial Accounting Standards Board ("FASB"). The following is a description of the classes of net assets included in the consolidated financial statements.

Net Assets without Donor Restrictions: Net assets without donor restrictions represent resources available to support the Organization's operations, including previously restricted donor net assets that became available for use by the Organization in accordance with the intentions of donors.

Net Assets with Donor Restrictions: Net assets with donor restrictions are those assets that have donor or grantor imposed restrictions that have not been satisfied as of the date of the consolidated financial statements. The Organization receives contributions, at times, that fall within this net asset category. These net assets have either time or purpose restrictions that are stipulated by the donor. When a restriction expires (that is, when a purpose restriction is accomplished or a time restriction is met), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the statement of activities and change in net assets. If the restriction is fulfilled in the same fiscal year in which the contribution is received, the Organization classifies the asset as without donor restriction.

Use of Estimates

The preparation of consolidated financial statements in conformity with 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The deposits at the financial institution bear the credit risk associated with the institution. The Organization has not experienced any losses in such accounts. Management believes that the Organization is not exposed to any significant credit risk related to concentrations. The maximum loss on the investments would be the carrying amount in the consolidated financial statements, less amounts insured by the Securities Investor Protection Corporation ("SIPC"). As of December 31, 2020, the Organization held investments in excess of the SIPC insurance limits.

Continued

2. Summary of Significant Accounting Policies, continued

Cash, Cash Equivalents and Restricted Cash

For purposes of the statement of consolidated financial position and the consolidated statement of cash flows, cash and cash equivalents consist of cash and other highly liquid resources, such as investments in certificates of deposit and money market funds, with an original maturity of three months or less when purchased. Restricted cash represents contributions received that are restricted for the Systers-Pass-It-On program.

Accounts Receivable

Accounts receivable are recorded at the invoice amount and are not interest bearing. The Organization reviews accounts receivable on an ongoing basis to determine collectability. Balances that are determined to be uncollectible are written off against the allowance for doubtful accounts. The Organization recorded an allowance for doubtful accounts of $27,650 as of December 31, 2020.

Investments

The Organization carries investments in money market funds and U.S. Treasury securities, and municipal and corporate bonds with readily determinable fair values at fair value. The Organization reviews and evaluates investment values and methodologies provided by the fund managers. Investment income consists of interest and dividend income, and realized and unrealized gains or losses. Investment management fees are net against investment returns.

Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investments securities, it is at least reasonably possible that changes in risks in the near term would materially affect fair value and the amounts reported in the consolidated statement of financial position and the consolidated statement of activities.

Restricted Investments

Restricted beneficial interest in assets represents funds that are restricted for the Thelma Estrin Endowment and the Telle Whitney Fund. For detail of the Thelma Estrin Endowment, refer to Note 10.

As of December 31, 2020, the Organization had donor restricted funds of $186,751 for the Telle Whitney Fund. The Telle Whitney Fund was established in 2017 to honor Telle Whitney's contributions to the Organization and to raise additional funding for strategic initiatives that will serve as an investment in the Organization's future. This flexible funding will give the Chief Executive Officer full discretion in providing timely support and investment where it is needed most, with a focus on high-priority initiatives that position the Organization for the future.

Leasehold Improvements, Net

The Organization has an operating lease agreement for office space in Belmont, California, the new headquarters of the Organization. Included in the lease agreement is an allowance for tenant improvements of $1,252,200. As expenses are incurred for tenant improvements, the costs are recorded as leasehold improvement assets, and when placed in service, depreciated over the shorter of the useful life of the asset or the least term. As of December 31, 2020, $1,192,480 of tenant improvements were included in total assets, net of immaterial accumulated depreciation. Of the tenant improvements, $770,572 is not yet placed in service.

2. **Summary of Significant Accounting Policies**, continued

Equipment, Net

Equipment is carried at cost or, if donated, at the approximate fair value at the time of donation. Depreciation expense is based on the straight-line method over the estimated useful lives of the assets, currently three years for computer and related equipment. Expenditures are capitalized for equipment in excess of $1,000. Maintenance and repairs are expensed when incurred.

Deferred Revenue

The Organization recognizes support and revenue on the accrual basis of accounting. As of December 31, 2020, the deferred revenue balance represents advance payments received from various customers that are held as credits to be applied to events in the next fiscal year. These amounts will be recognized when services are rendered.

Donated Services

Professional services donated by officers, directors, and other professionals are recorded at their estimated fair value as increases in revenues and increases in program or management services, as applicable.

Contributions

Contribution revenue is recognized when contributions are received or promised. All contributions are considered available for general operations unless specifically restricted by the donor.

The Organization reports contributions as donor restricted if such contributions are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, donor restricted net assets are reclassified as without donor restricted net assets and reported as net assets released from restrictions.

Revenue Recognition

The Organization accounts for a contract with a customer when there is a legally enforceable contract, the rights of the parties are identified, the contract has commercial terms, and collectability of the contract consideration is probable. Revenue from contracts with customers is recognized when obligations have been satisfied, in an amount that reflects the consideration expected to be entitled to in exchange for those good or services. Amounts that are invoiced are recorded in accounts receivable and revenues or deferred revenues, depending on whether the revenue recognition criteria have been met. Customers are billed in advance, with payment terms of net 30 days. Revenue from contracts with customers is allocated between events and programs.

For events revenue, the Organization recognizes revenue for sponsorships, registrations and other conference products and services over the period of time which the event is held. The goods and services are specific to the event and, therefore, the products and services are treated as a bundled performance obligation. The bundled performance obligation is satisfied simultaneously as sponsors and attendees consume goods and services during the event.

2. **Summary of Significant Accounting Policies**, continued

Revenue Recognition, continued

Program revenue is comprised of partner goods and services, and the top companies program. Partner obligations are for goods and services that occur throughout the terms of the partner agreement, over a period of 12 months. The Organization defers the revenue when it is received and recognizes revenue as obligations are satisfied throughout the term of the agreement. Top companies' customers participate in an annual benchmarking program that awards companies that are making the most progress towards achieving equity for women technologists. Top companies' revenue is deferred and recognized at a point in time when the benchmarking report has been distributed to participants in the program. Revenue from membership services is deferred and recognized as income over the membership period, which is 12 months.

The Organization's contracts do not include highly variable components. The timing of revenue recognition, billings and cash collections can result in billed accounts receivable, unbilled receivables (contract assets), and deferred revenues (contract liabilities). The Organization had no unbilled receivables for the year ended December 31, 2020. All of the Organization's performance obligations for the period ended December 31, 2020 were satisfied and recorded, whether at a point in time or over a period of time in the same reporting period.

Concentrations

The Organization had one customer that accounted for 10% of accounts receivable as of December 31, 2020. The Organization had two individual donors that accounted for 16% and 12% of contribution revenue for the year ended December 31, 2020.

Grants

The Board of Trustees of AnitaB.org may delegate to management its authority to review and approve grants. Grants are recognized when the unconditional promise to give is approved. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition, such as matching, naming or milestone requirements.

Functional Allocation of Expenses

The costs of providing the Organization's program and other activities have been summarized on a functional basis in the statement of functional expenses. The statement of functional expenses presents natural classification detail of expenses by function. The major functional expense classifications are program services and supporting services. Program services include expenses that are directly related to providing services related to the careers of women who work in the technology field and direct supervision of program activities. Program expenses are allocated between GHC and other events. Supporting services are all activities of the Organization other than program services. Supporting services consist of management and general, and fund development activities. Management and general includes expenses for general oversight and management of the Organization, recordkeeping, and budgeting. Fund development activities include conducting fundraising events, preparing and distributing fundraising materials, and solicitation of contributions from individuals and corporations.

Expenses are allocated directly to program services if they can be specifically identified with a program. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. Salaries, payroll taxes, benefits and workers' compensation insurance for organizational support groups such as Marketing, Information Technology, executive management, and related administrative support are allocated on the basis of estimates of time and effort.

2. **Summary of Significant Accounting Policies**, continued

Income Taxes

AnitaB.org is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and under Section 23701d of the California Revenue and Taxation Code. However, income from activities not related to its tax-exempt purpose may be subject to taxation as unrelated business income.

U.S. GAAP requires the Organization to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the applicable tax authority. The Organization has reviewed its tax positions for all open tax years and believes that it has appropriate support for the tax positions taken. Therefore, no liability has been recorded.

AWTP is a for-profit entity with a fiscal year-end of March 31, 2021. For tax purposes, AWTP is subject to the regulations of the Income Tax Department of the Government of India. As of December 31, 2020, AWTP had a net operating loss, and a tax liability was not recorded.

Change in Accounting Principle

On January 1, 2020, the Organization adopted ASU 2018-13, *Fair Value Measurement* (Topic 820): *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 2018-13"). ASU 2018-13 changes the disclosure requirements on fair value measurements by the removal, addition and modification of current requirements. ASU 2018-13 has changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty. The adoption of ASU 2018-13 had no significant impact to the consolidated financial statements for the year ended December 31, 2020.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* ("ASU 2016-02"). The objective of ASU 2016-02 is to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet for leases with a lease term of more than 12 months. In addition, ASU 2016-02 will require additional disclosures regarding key information about leasing arrangements. Under existing guidance, operating leases are not recorded as lease assets and lease liabilities on the balance sheet. ASU 2016-02 will be effective for fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization is currently evaluating the impact of the adoption of ASU 2016-02 and the various subsequent amendments that were issued by the FASB on its consolidated financial statements.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958) ("ASU 2020-07"). ASU 2020-07 requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. ASU 2020-07 requires the new standard to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting periods beginning after June 15, 2022. ASU 2020-07 does allow for early adoption. The Organization is currently evaluating the impact of adopting ASU 2020-07 on its financial statements.

3. Liquidity and Availability

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, accounts receivable, investments, and a line of credit.

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing activities. As of December 31, 2020, the Organization has financial assets available to meet cash needs for general expenditures within one year as follows:

Financial assets:		
Cash and cash equivalents	$	4,499,422
Accounts receivable, net		2,371,888
Investments		11,721,185
Total financial assets available within one year		18,592,495
Line of credit		1,500,000
Total available funds	$	20,092,495

4. Fair Value Disclosures

Fair value is defined 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. A framework for measuring fair value prioritizes the use of observable market-based inputs over the use of unobservable inputs when measuring fair value. An investment's categorization is based on the lowest level of input that is significant to the fair value of measurement.

The three-level hierarchy for fair value measurements is defined as follows:

Level 1 – Quoted market prices (observable inputs) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Example: listed securities.

Level 2 – Observable inputs other than quoted prices included in Level 1 for the asset or liability, either directly or indirectly. Fair value is determined through the use of models or other valuation methodologies.
Example: thinly traded securities.

Level 3 – Unobservable inputs for the asset or liability that are not corroborated by market data, and reflect the entity's assumptions for pricing the asset or liability.

The Organization's investments were in mutual funds and fixed income securities, including U.S. Treasury securities, mutual funds and corporate bonds. All investments are recorded at the quoted market prices as of December 31, 2020.

4. Fair Value Disclosures, continued

Valuation Process

Fair value measurement policies and procedures for assets and liabilities are determined under the supervision of the Board of Trustees. The Organization establishes fair value measurement policies and procedures for assets and liabilities. Valuation methodologies are consistent with the market, income, and cost approaches. Unobservable inputs used in fair value measurements are evaluated and adjusted on an annual basis, or as necessary based on current market conditions and other third-party information. In determining the reasonableness of the methodology, the Organization evaluates a variety of factors, including a review of existing agreements, economic conditions, industry, and market developments.

The following table summarizes the balances of the Organization's assets in the consolidated statement of financial position as of December 31, 2020:

	Level 1	Level 2	Level 3	Total
Investments:				
Cash, money market, and bank deposit	$ 71,205	$ -	$ -	$ 71,205
Mutual funds	8,079,397	-	-	8,079,397
Fixed income	3,993,595	-	-	3,993,595
Total	$ 12,144,197	$ -	$ -	$ 12,144,197

5. Leasehold Improvements, Net

The Organization's leasehold improvements, net is comprised of the following as of December 31, 2020:

Leasehold improvements	$ 467,176
Leasehold improvements not yet placed in service	770,572
Less: accumulated amortization	(45,268)
Leasehold improvements, net	$ 1,192,480

Amortization expense was $44,839 for the year ended December 31, 2020.

6. Equipment, Net

The Organization's equipment, net is comprised of the following as of December 31, 2020:

Computer and related equipment	$ 764,283
Less: accumulated depreciation	(452,192)
Computer and related equipment, net	$ 312,091

Depreciation expense was $110,801 for the year ended December 31, 2020.

7. Deferred Revenue

The following table provides information about significant changes in deferred revenue for the year ended December 31, 2020:

Deferred revenue, beginning of year	$ 587,571
Increase in deferred revenue due to cash received during the period	30,791,988
Decrease in deferred revenue due to partnerships, top companies, and other services being provided	(26,749,631)
Deferred revenue, end of year	$ 4,629,928

8. Line of Credit

The Organization has a revolving line of credit with an authorized limit of $500,000. On February 26, 2020, the Organization initiated a draw against the line of credit for $500,000. The draw against the line of credit was repaid on July 23, 2020. AnitaB.org incurred $10,615 in interest expense for the year ended December 31, 2020.

On March 27, 2020, an Amended and Restated Promissory Note ("Amended Note") was executed for $1,500,000, with a maturity date of March 3, 2021. The Amended Note supersedes and replaces the previous line of credit in its entirety. The interest rate is equal to the WSJ prime rate (Index), plus zero percent per annum rounded upward to the nearest one-eighth of one percentage point (0.125%). The interest rate shall be adjusted on the same date as adjustments announced in the Index. In the event of a default or the maturity of the Amended Note, interest on the unpaid principal balance shall accrue at 8% per annum. Interest is payable monthly beginning April 3, 2020 and continues through the maturity date. This Amended Note was renewed subsequent to year-end. See Note 17. As of December 31, 2020, the outstanding balance on the line of credit was $0.

9. Note payable from Paycheck Protection Program

On April 4, 2020, the Organization secured a $1,872,620 from an unsecured promissory note under the Paycheck Protection Program ("PPP") loan pursuant to the CARES Act that is administered by the U.S. Small Business Administration. The PPP loan has a fixed payment schedule, commencing ten months following the funding of the PPP loan and consisting of nineteen monthly payments of principal and interest. The PPP loan bears interest at a rate of 1.00% per annum and is deferred for the first ten months of the loan. The PPP loan and accrued interest may qualify for loan forgiveness based on the terms of the program, as long as the Organization uses at least 60% of the proceeds for eligible purposes, including payroll costs and maintaining staff and payroll. Refer to Note 17 for status of forgiveness.

10. Endowment

The Organization’s endowment consists of one individual fund established for scholarships to the Grace Hopper Celebration of Women in Computing Conference. The net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. For accounting and reporting purposes, the Organization classifies as net assets with restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) the permanent endowment made in accordance with the direction of the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds, which are available for expenditure by the Organization in a manner consistent with the standards of prudence, prescribed by UPMIFA.

Interpretation of Relevant Law

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 Organization classifies as permanently restricted net assets as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the endowment with donor restrictions made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in perpetuity is classified as appreciation or depreciation until those amounts are appropriated for expenditure by the Organization as part of its budget process.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objectives within prudent risk constraints.

Investment Objectives and Returns

The Organization’s investment policy describes the purpose, investment objective, time horizon and risk profile for the endowment. In addition, there is not a formal spending policy, as the Organization does not have plans to spend from the endowment since they are growing the funds.

10. Endowment, continued

Changes in endowment net assets are as follows as of December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 3,251	$ 208,000	$ 211,251
Investment income, net of management fee	-	8,151	8,151
Realized and unrealized gain	-	16,859	16,859
Transfers to remove designated funds	(3,251)	3,251	-
Endowment net assets, end of year	$ -	$ 236,261	$ 236,261

11. Net Assets with Donor Restrictions

A restriction on the Organization's use of the assets contributed results either from a donor's explicit stipulation or from circumstances surrounding the receipt of the contribution that make clear the donor's implicit restriction on use.

Net assets with donor restrictions consisted of the following as of December 31, 2020:

Thelma Estrin Endowment	$ 236,261
Telle Whitney Fund	186,751
Systers-Pass-It-On	43,155
BRAID Scholarships	188,752
10K Techies	250,000
Treenhouse Apprenticeship	200,000
Tech Journey	134,820
Total	$ 1,239,739

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by circumstances surrounding the receipt of the contribution that make clear the donor's implicit restriction on use as of December 31, 2020, are comprised of the following:

Purpose restrictions accomplished:	
Thelma Estrin Endowment	$ 49,700
Systers-Pass-It-On	4,062
BRAID Scholarship	150,000
Total	$ 203,762

12. Commitments and Contingencies

Hotel and Convention Center Commitments

The Organization regularly enters into agreements with hotels and convention centers for future Grace Hopper Celebration events. Contracts are signed up to five years in advance in order to secure facilities and lodging for future conferences. These contracts impose cancellation fees that create a potential future liability for the Organization in the event of an unexcused cancellation. The Organization believes a loss from cancellation fees is more than remote, but less than reasonably possible. As of December 31, 2020, the Organization estimates the potential loss for event cancellation fees as follows:

Year Ending December 31:	Hotel Cancellation Fees	Convention Center Cancellation Fees	Total
2021	$ 1,737,324	$ -	$ 1,737,324
2022	1,874,468	986,617	2,861,085
2023	902,565	519,338	1,421,903
2024	754,260	575,120	1,329,380
	$ 5,268,617	$ 2,081,075	$ 7,349,692

COVID-19 Pandemic

In March 2020, the World Health Organization declared the novel coronavirus ("COVID-19") a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. The Organization was forced to move live events to a virtual platform which impacted the events held and cost for those events. As the pandemic continues, the Organization has continued to find new and virtual ways to interact with members and provide resources. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the Company's operations and financial results at this time.

Lease Payments

On April 11, 2019, the Organization entered into a lease agreement for its headquarters and future women's technology center. The lease is for 124 months, or 10 years; a rent concession period from May 1, 2019 through December 31, 2019 was included in the lease. As of December 31, 2020, future lease payments are as follows:

Year Ending December 31:	Total
2021	$ 1,052,449
2022	1,084,023
2023	1,116,543
2024	1,150,040
2025	1,184,541
Thereafter	4,655,586
	$ 10,243,182

12. Commitments and Contingencies, continued

Rent expense for the Organization's headquarters totaled $1,048,464 for the year ended December 31, 2020. On February 25, 2020, a partial reimbursement of allowable tenant improvements was received, in accordance with the lease agreement, in the amount of $475,320. The reimbursement was deferred and is recognized as an adjustment to rent expense over the remaining term of the lease agreement. As of December 31, 2020, deferred rent totaled $1,228,762.

Litigation

The Organization is engaged in other various legal actions arising in the ordinary course of business and it is the option of management that the ultimate resolutions will not have a material effect on the financial position or results of operations. As of December 31, 2020, estimated settlement expenses of $20,000 are included in accrued expenses.

13. In-Kind Contributions

The Organization received in-kind contributions for professional services in the amount of $316,650 during the year ended December 31, 2020.

14. Related Parties

The Organization's Board members participate in fundraising and other events, as well as make contributions. For the year ended December 31, 2020, contributions from Board members were $51,073. The Organization has a policy that requires all Board members to read and sign a conflict of interest policy annually.

15. Bonus Plan

The Organization has a bonus plan to recognize the contributions that certain employees make to the Organization by way of their judgment, initiative and efforts, all of which contribute to the continued success of the Organization. Participation in the bonus plan is in the sole discretion of the Board and shall be determined on an award period by award period basis. Each actual award shall be paid solely from the general assets of the Organization. The Organization, by action of the Board, in its sole discretion, may amend or terminate the bonus plan, or any part thereof, at any time and for any reason. The amendment, suspension, or termination of the bonus plan shall not, without the consent of the participant, alter or impair any rights or obligations under any actual award theretofore earned by such participant. No award may be granted during any period of suspension or after termination of the bonus plan. Amounts earned under the bonus plan totaled $532,498 for the year ended December 31, 2020 and were reflected in accrued expenses on the statement of financial position.

Continued

16. Retirement Plans

The Organization participates in the Anita Borg 403(b) Plan (the "Plan"), which is a retirement income account plan as defined by Section 403(b)(9) and was created in 2004. The Plan is a not-for-profit, tax-deferred, defined contribution plan organized and operated for the purpose of providing retirement benefits for employees of the Organization. Participation is available to all eligible employees who have completed 1000 hours of service beginning with their date of hire and are at least 21 years of age. As a defined contribution plan, the Retirement Plan has no unfunded benefit obligations.

In accordance with the Plan, contributions are a percentage of the participating employees' salaries. The Organization provides a matching contribution and may, at its discretion, elect to make an additional year-end contribution to the Plan on behalf of the participants. Effective April 1, 2020, the Organization temporarily suspended the matching contribution through December 31, 2020, as a result of COVID. The Organization's contributions totaled $114,261 for the year ended December 31, 2020.

17. Subsequent Events

In accordance with accounting standards affecting disclosures of subsequent events, the Organization evaluated subsequent events for recognition and disclosure through August 30, 2021, the date, which these financial statements were available to be issued. Management concluded that the following subsequent events could be or were material to the consolidated financial statements and have occurred; as such, they require recognition or disclosure:

On February 10, 2021, the remaining tenant improvement reimbursement of $776,880 was received. Reimbursements are deferred and recognized as an adjustment of rent expense over the remaining term of the lease agreement.

On February 16, 2021, the Organization secured a second loan from the SBA under the PPP for $1,917,900. The Organization fully intends to comply with the terms in order to qualify for loan forgiveness. In the event the Organization is required to repay the loan, all payments are deferred for six months with accrued interest over this period. Amounts outstanding under the loan will bear a fixed interest rate of 1.00% per annum with a maturity date of five years from the commencement date.

On April 13, 2021, the Organization applied for forgiveness of the first PPP loan dated April 4, 2020, in the amount of $1,872,620. The Organization was informed on July 21, 2021 that the request for forgiveness was approved by the SBA.

On June 14, 2021, a Renewal and Modification Agreement was executed for $1,500,000 under the Amended and Restated Loan Agreement ("Line of Credit") dated February 13, 2017. The maturity date of the Line of Credit was extended to March 3, 2022. The index is the rate of interest published in The Wall Street Journal as the U.S. prime rate. The interest rate shall be equal to the index plus .00% per annum rounded to the nearest 1/8th of one percentage point (.125%). The Agreement modified the lifetime minimum interest rate from 4.25% per annum to 3.25%.

On June 29, 2021, as a result of the cancelation of its Chicago 2021 in-person event, the Organization and Choose Chicago entered into an agreement to extend the commitments related to the 2021 event to future events to be held in Chicago during 2024 and 2025.

Supplementary Information

ANITA BORG INSTITUTE FOR WOMEN AND TECHNOLOGY

SCHEDULE I – CONSOLIDATING STATEMENT OF FINANCIAL POSITION

As of December 31, 2020

	AnitaB.org	AWTP	Total	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	$ 4,383,044	$ 116,378	$ 4,499,422	$ -	$ 4,499,422
Restricted cash	43,147	-	43,147	-	43,147
Contributions and accounts receivable	2,366,541	5,347	2,371,888	-	2,371,888
Intercompany receivable	742,433	140,253	882,686	(882,686)	-
Unrestricted investments	11,721,185	-	11,721,185	-	11,721,185
Restricted investments	423,012	-	423,012	-	423,012
Prepaid expenses and other current assets	875,758	139,542	1,015,300	-	1,015,300
Leasehold improvements, net	421,908	-	421,908	-	421,908
Leasehold improvements not yet placed in service	770,572	-	770,572	-	770,572
Equipment, net	312,091	-	312,091	-	312,091
Total assets	$ 22,059,691	$ 401,520	$ 22,461,211	$ (882,686)	$ 21,578,525
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	$ 1,680,927	$ 680	$ 1,681,607	$ -	$ 1,681,607
Intercompany payable	140,253	742,433	882,686	(882,686)	-
Accrued expenses	902,298	133,608	1,035,906	-	1,035,906
Deferred revenue	4,430,150	199,778	4,629,928	-	4,629,928
Deferred rent	1,228,762	-	1,228,762	-	1,228,762
Note payable from Paycheck Protection Program	1,872,600	-	1,872,600	-	1,872,600
Capital leases	198,407	-	198,407	-	198,407
Total liabilities	10,453,397	1,076,499	11,529,896	(882,686)	10,647,210
Net Assets:					
Net assets without donor restriction:					
AnitaB.org	10,366,555	-	10,366,555	(742,433)	9,624,122
Controlling interest in for-profit India entity	-	(674,979)	(674,979)	742,433	67,454
Total net assets without donor restrictions	10,366,555	(674,979)	9,691,576	-	9,691,576
Net assets with donor restriction	1,239,739	-	1,239,739	-	1,239,739
Total net assets	11,606,294	(674,979)	10,931,315	-	10,931,315
Total liabilities and net assets	$ 22,059,691	$ 401,520	$ 22,461,211	$ (882,686)	$ 21,578,525

ANITA BORG INSTITUTE FOR WOMEN AND TECHNOLOGY

SCHEDULE II – CONSOLIDATING STATEMENT OF ACTIVITIES

For the year ended December 31, 2020

	AnitaB.org			AWTP	Eliminations	Consolidated
	Without Donor Restrictions	With Donor Restrictions	Total			
Revenue, gains, and other support:						
Public support:						
Sponsorships	$ 8,396,191	$ -	$ 8,396,191	$ 21,123	$ -	$ 8,417,314
Contributions	1,231,071	773,573	2,004,644	-	-	2,004,644
Donated services	316,650	-	316,650	-	-	316,650
Registration fees	7,406,477	-	7,406,477	25,277	-	7,431,754
Programs	4,138,625	-	4,138,625	21,586	-	4,160,211
Investment income	167,895	107,263	275,158	-	-	275,158
Other income	36,354	-	36,354	-	-	36,354
Intercompany revenue	742,433	-	742,433	-	(742,433)	-
Net assets released from donor restrictions	203,762	(203,762)	-	-	-	-
Total revenue, gains and other support	22,639,458	677,074	23,316,532	67,986	(742,433)	22,642,085
Expenses:						
Program services:						
Grace Hopper Conference	16,525,564	-	16,525,564	-	-	16,525,564
Other events	4,739,986	-	4,739,986	2,393	-	4,742,379
Support services:						
Management and general	6,583,426	-	6,583,426	-	-	6,583,426
Fund development	527,488	-	527,488	-	-	527,488
Intercompany expenses	-	-	-	742,433	(742,433)	-
Total expenses	28,376,464	-	28,376,464	744,826	(742,433)	28,378,857
Change in net assets	(5,737,006)	677,074	(5,059,932)	(676,840)	-	(5,736,772)
Net assets, beginning of year	16,103,562	562,665	16,666,227	-	-	16,666,227
Controlling interest in for-profit India entity	-	-	-	1,860	-	1,860
Net assets, end of year	$ 10,366,556	$ 1,239,739	$ 11,606,295	$ (674,980)	$ -	$ 10,931,315