Consolidated Financial Statements and
Supplementary Information Together with
Report of Independent Certified Public Accountants

GIRL SCOUTS OF THE UNITED STATES OF AMERICA

September 30, 2019 with summarized comparative information
for the year ended September 30, 2018

GIRL SCOUTS OF THE UNITED STATES OF AMERICA

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Girl Scouts of the United States of America:

We have audited the accompanying consolidated financial statements of Girl Scouts of the United States of America (the "Organization"), which comprise the consolidated statement of financial position as of September 30, 2019, 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.

Auditor's 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 consolidated 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 consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization'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 Girl Scouts of the United States of America as of September 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedule of Property and Equipment as of September 30, 2019 and the Consolidating Schedule of Financial Position as of September 30, 2019 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such supplementary 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 information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the 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 supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Report on 2018 summarized comparative information

We have previously audited the Organization's 2018 consolidated financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated January 24, 2019. In our opinion, the accompanying summarized comparative information and Consolidating Schedules of Property and Equipment and Financial Position as of and for the year ended September 30, 2018 are consistent, in all material respects, with the audited consolidated financial statements from which they have been derived.

Grant Thornton LLP

New York, New York
January 23, 2020

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidated Statements of Financial Position
As of September 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	$ 25,183,000	$ 34,058,000
Accounts receivable, net of allowance for doubtful accounts of approximately $395,000 in 2019 and $219,000 in 2018	5,053,000	5,930,000
Inventories, net	5,861,000	6,625,000
Prepaid expenses	1,649,000	1,670,000
Investments	176,400,000	172,678,000
Contributions and deferred gifts receivable, net	7,096,000	7,271,000
Funds held in trust for others	538,000	529,000
Property and equipment, net	49,617,000	43,958,000
Total assets	$ 271,397,000	$ 272,719,000
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued liabilities	$ 22,391,000	$ 16,343,000
Pension liability	25,658,000	23,703,000
Funds held in trust for others	538,000	529,000
Deferred revenues:		
Membership dues	34,946,000	33,239,000
Other	146,000	76,000
Total liabilities	83,679,000	73,890,000
NET ASSETS		
Without donor restrictions:		
Operating fund	34,214,000	41,395,000
Pension fund	(35,990,000)	(30,159,000)
Board-designated	121,857,000	121,667,000
	120,081,000	132,903,000
With donor restrictions:		
Purpose restricted	39,557,000	37,802,000
Time-restricted for future periods	369,000	416,000
Perpetual in nature	27,711,000	27,708,000
Total net assets	187,718,000	198,829,000
Total liabilities and net assets	$ 271,397,000	$ 272,719,000

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

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidated Statement of Activities
For the year ended September 30, 2019, with summarized comparative financial information for 2018

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
OPERATING REVENUES				
Membership dues	$ 55,762,000	$ -	$ 55,762,000	$ 57,871,000
Girl Scout merchandise gross profit	23,816,000	-	23,816,000	25,037,000
Royalty income	9,386,000	-	9,386,000	8,400,000
Gifts, grants and bequests	8,009,000	9,488,000	17,497,000	16,560,000
Training/meeting revenue	5,156,000	-	5,156,000	7,075,000
Investment income allocation	5,379,000	1,782,000	7,161,000	6,528,000
Software maintenance	5,820,000	-	5,820,000	5,500,000
Other	500,000	769,000	1,269,000	1,441,000
Total operating revenues	113,828,000	12,039,000	125,867,000	128,412,000
Net assets released from restrictions	10,936,000	(10,936,000)	-	-
Total operating revenues	124,764,000	1,103,000	125,867,000	128,412,000
OPERATING EXPENSES				
Program services:				
Comprehensive council support	39,209,000	-	39,209,000	44,948,000
Girl program development and adult learning opportunities	50,001,000	-	50,001,000	44,681,000
Brand promotion and external engagement	27,052,000	-	27,052,000	22,806,000
Total program expenses	116,262,000	-	116,262,000	112,435,000
Supporting services:				
Fundraising	5,089,000	-	5,089,000	3,737,000
Management and general	9,840,000	-	9,840,000	9,946,000
Total supporting services	14,929,000	-	14,929,000	13,683,000
Total operating expenses	131,191,000	-	131,191,000	126,118,000
Operating (deficit) surplus	(6,427,000)	1,103,000	(5,324,000)	2,294,000
NONOPERATING REVENUE, GAINS AND LOSSES				
Endowment contributions	-	53,000	53,000	1,669,000
Change in value of deferred gifts	-	(16,000)	(16,000)	6,000
Change in value of charitable gift annuities	14,000	-	14,000	23,000
Contributed advertising revenue	186,401,000	-	186,401,000	26,611,000
Contributed advertising expense	(186,401,000)	-	(186,401,000)	(26,611,000)
Net investment income in excess of income allocation	750,000	571,000	1,321,000	5,389,000
Gain on sale of floors	-	-	-	2,839,000
Pension costs other than service cost	(5,831,000)	-	(5,831,000)	(1,373,000)
Other nonoperating pension charges	(1,328,000)	-	(1,328,000)	4,696,000
Total nonoperating revenue, gains and losses	(6,395,000)	608,000	(5,787,000)	13,249,000
Change in net assets	(12,822,000)	1,711,000	(11,111,000)	15,543,000
Net assets, beginning of year	132,903,000	65,926,000	198,829,000	183,286,000
Net assets, end of year	$ 120,081,000	$ 67,637,000	$ 187,718,000	$ 198,829,000

The accompanying notes are an integral part of this consolidated financial statement.

GIRL SCOUTS OF THE UNITED STATES OF AMERICA

Consolidated Statement of Functional Expenses

For the year ended September 30, 2019, with summarized comparative financial information for 2018

	Program Services				Supporting Services				
	Comprehensive Council Support	Girl Program Development and Adult Learning Opportunities	Brand Promotion and External Engagement	Total	Fundraising	Management and General	Total	2019 Total	2018 Total
Salaries and related benefits	$ 16,091,000	$ 17,528,000	$ 13,429,000	$ 47,048,000	$ 2,898,000	$ 4,984,000	$ 7,882,000	$ 54,930,000	$ 49,244,000
Travel and related expense	1,645,000	1,138,000	393,000	3,176,000	191,000	325,000	516,000	3,692,000	4,124,000
Nonstaff services	482,000	4,647,000	653,000	5,782,000	71,000	258,000	329,000	6,111,000	5,870,000
Professional services	1,758,000	6,381,000	7,574,000	15,713,000	531,000	975,000	1,506,000	17,219,000	16,337,000
Rent, occupancy and depreciation	5,643,000	6,862,000	1,260,000	13,765,000	470,000	293,000	763,000	14,528,000	13,736,000
Office, publishing and technology	9,669,000	4,197,000	1,820,000	15,686,000	783,000	1,418,000	2,201,000	17,887,000	18,070,000
Grants and scholarships	1,743,000	3,916,000	-	5,659,000	-	-	-	5,659,000	9,073,000
Other expenses	1,672,000	3,942,000	1,923,000	7,537,000	145,000	703,000	848,000	8,385,000	7,496,000
Total expenses before donated goods and services and contributed advertising	38,703,000	48,611,000	27,052,000	114,366,000	5,089,000	8,956,000	14,045,000	128,411,000	123,950,000
Donated goods and services	506,000	1,390,000	-	1,896,000	-	884,000	884,000	2,780,000	2,168,000
Total expenses before contributed advertising	39,209,000	50,001,000	27,052,000	116,262,000	5,089,000	9,840,000	14,929,000	131,191,000	126,118,000
Contributed advertising	-	-	186,401,000	186,401,000	-	-	-	186,401,000	26,611,000
Total expenses	$ 39,209,000	$ 50,001,000	$ 213,453,000	$ 302,663,000	$ 5,089,000	$ 9,840,000	$ 14,929,000	$ 317,592,000	$ 152,729,000

The accompanying notes are an integral part of this consolidated financial statement.

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidated Statement of Cash Flows
For the years ended September 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (11,111,000)	$ 15,543,000
Adjustments to reconcile change in net assets to net cash flows provided by operating activities:		
Depreciation	10,098,000	9,352,000
Gain on sale of floors	-	(2,839,000)
Change in allowance for doubtful accounts	190,000	1,000
Change in discount on contributions receivable	20,000	(84,000)
Change in deferred gifts receivable	16,000	(6,000)
Change in charitable gift annuity	(14,000)	(23,000)
Change in right of use asset	13,000	-
Net realized gains on sales of investments	(2,495,000)	(5,543,000)
Net unrealized gain on investments	(4,039,000)	(4,526,000)
Contributions restricted for investment in permanently restricted net assets	(53,000)	(1,669,000)
Changes in operating assets and liabilities:		
Decrease in accounts receivable	687,000	389,000
Decrease (increase) in inventories	764,000	(236,000)
Decrease in prepaid expenses	21,000	1,554,000
Decrease in contributions and deferred gifts receivable	139,000	378,000
(Increase) decrease in funds held in trust for others	(9,000)	112,000
Increase (decrease) in pension liability	1,955,000	(6,537,000)
Increase (decrease) in accounts payable and accrued liabilities	2,764,000	(1,971,000)
Increase (decrease) in funds held in trust for others	9,000	(112,000)
Increase (decrease) in deferred revenues	1,777,000	(3,295,000)
Net cash provided by operating activities	732,000	488,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(12,316,000)	(13,239,000)
Proceeds from sales of investments	44,712,000	61,485,000
Purchases of investments	(41,886,000)	(59,818,000)
Net cash (used in) provided by investing activities	(9,490,000)	(11,572,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for investment in permanently restricted net assets	53,000	1,669,000
Principal payments on capital lease obligations	(170,000)	(108,000)
Net cash provided by financing activities	(117,000)	1,561,000
(Decrease) increase in cash and cash equivalents	(8,875,000)	(9,523,000)
Cash and cash equivalents, beginning of year	34,058,000	43,581,000
Cash and cash equivalents, end of year	$ 25,183,000	$ 34,058,000
Supplemental disclosure of cash flow information:		
Right of use assets	$ 1,021,000	$ -
Fixed asset purchases included in accounts payable and accrued liabilities	$ 2,433,000	$ 1,559,000

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

1. NATURE OF OPERATIONS

Girl Scouts of the United States of America ("GSUSA"), headquartered in New York City, is a national nonprofit organization with the mission to build girls of courage, confidence, and character who make the world a better place. Formed in 1912 in Savannah, Georgia, GSUSA is now in its second century of serving girls, with more than 2.5 million adult and girl members spread across 111 independent Girl Scout councils. The governance of the organization relies on an efficient democratic process that is responsive to our fast-changing world.

As the world's foremost girl leadership organization, GSUSA puts girls front and center, understanding that when girls succeed, so does society. The girl-only, girl-led, and all-around girl-defined aspects of Girl Scouting are crucial to what the organization offers, and the foundation of the Girl Scout program is the Girl Scout Leadership Experience, which helps girls take the lead in their own lives and the world.

With the support of caring adult volunteers and mentors, everything a Girl Scout does involves some combination of STEM (science, technology, engineering, and math), the outdoors, development of life skills, and entrepreneurship. In a Girl Scout troop, girls find a safe space where they can learn new skills, try new things, and feel free to fail, dust themselves off, and try again, all in a nurturing environment that prioritizes their safety and alleviates the pressures of the co-ed world.

GSUSA welcomes girls of all backgrounds and interests, and the Girl Scout program is designed for every girl, equipping her with skills to serve her for life. It's proven to help her thrive in five key ways as she develops a strong sense of self, seeks challenges and learns from setbacks, displays positive values, forms and maintains healthy relationships, and identifies and solves problems. Diversity and inclusivity have been important to GSUSA from day one; today, approximately 30 percent of girl members come from underserved and underrepresented communities, allowing GSUSA to serve as a pathway to a brighter future.

The accompanying consolidated financial statements include the assets, liabilities, net assets, revenues, and expenses of Girl Scouts of the United States of America and its wholly owned subsidiary, New York Girl Scouts, Inc. (nominee)—collectively referred to as the "Organization." All significant intercompany transactions and balances have been eliminated in consolidation.

The purpose of the Organization is to promote the Girl Scout Movement, which consists of all members registered through the national office and Girl Scout councils. GSUSA received a congressional charter by a special act of the United States Congress on March 16, 1950, and Girl Scouts' 111 councils are granted charters by the GSUSA Board of Directors. Each Girl Scout council is separately incorporated but chartered by GSUSA with two primary responsibilities: to deliver the Girl Scout Leadership Experience to any girl in grade K–12 who meets the membership requirements, and to further the development of the Girl Scout Movement in the United States.

GSUSA provides services to its chartered councils. In providing these services, GSUSA is exempt from federal income tax in accordance with Section 501(c)(3) of the Internal Revenue Code. The accompanying consolidated financial statements do not include the assets, liabilities, net assets, revenues, and expenses of the chartered councils, which are governed by separate boards of directors. Total sales to chartered councils were approximately $26,099,000 and $29,048,000 in fiscal 2019 and 2018, respectively.

Girl Scouts of the USA's program services include:

Comprehensive Council Support

- Provide direct consulting and assistance to all 111 Girl Scout councils and USAGSO to ensure that Girl Scout programs and services are delivered effectively and consistently nationwide and overseas in accordance with the mission, policies, and goals of the organization;
- Drive sustainable membership growth and Movement health by engaging our girls, volunteers, parents, councils, and supporters to fulfill the Girl Scout mission. The teams in this community are involved with network alignment and advancement of mission delivery strategies; council leadership support and training; cultivation of national partnerships that drive membership growth; and movement property strategy and support. The teams work closely with all other GSUSA communities to bring an exceptional experience to our members and to ensure a vibrant, sustainably growing movement;
- Enhance the customer experience with a focus on engagement of volunteers, and the retention and recruitment of members, supported by development, implementation and operations of the movement-wide common technology platform and products; and
- Provide direct grants to councils to enhance their financial stability and build programmatic capacity.

Girl Program Development and Adult Learning Opportunities

- Develop and evaluate timely, girl-endorsed programming for girl members of GSUSA, upholding GSUSA's reputation as the premier leadership development experience for girls;
- Drive the full lifecycle management of Girl Scout programs, ensuring relevant and engaging in-person and online experiences for girls;
- Provide opportunities for Girl Scouts to enjoy valuable cross-cultural experiences that help them better understand and respect other cultures and global issues, as well as how they can help where they feel inspired to;
- Lead cookie program strategy, governance and national execution in support of the Girl Scout cookie program;
- Develop and enhance digital cookie technology providing girls the opportunity to build their own e-commerce website for their cookie business;
- Diversify and grow national licensing partnerships;
- Effectively utilize Girl Scout properties to provide unique customer experiences and grow membership including the Juliette Gordon Low Birthplace in Savannah, GA and the Edith Macy Center in Westchester County, NY;
- Develop and manage GSUSA's relationship and programming with the World Association of Girl Guides and Girl Scouts (WAGGGS) and other global organizations; and
- Develop and evaluate learning opportunities for adult members of GSUSA, so that Girl Scout volunteers feel supported and able to confidently and effectively guide and deliver programming to girls.

Brand Promotion and External Engagement

- Promote the Girl Scout brand, program, and mission far and wide, emphasizing that Girl Scouts of the USA is *the* place where girls and young women learn to take the lead in their own lives and the world;
- Maintain GSUSA's position in the marketplace as the single best leadership development organization for girls in the world;
- Research and advocate on issues that affect girls and women locally, nationally, and/or globally;
- Develop and promote the Girl Scout Cookie Program, the largest girl-led entrepreneurial program in the world;
- Develop, market, and sell Girl Scout–branded items and program materials to Girl Scout members and the general public; and
- Provide Girl Scout councils with marketing and communications tools and resources to help them reach external audiences in ways that are consistent with national efforts, to drive the public's recognition of Girl Scouts of the USA as a single cohesive movement for girls.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Organization:

Basis of Accounting

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"). The ASU amends the current reporting model for not-for-profit organizations and requires certain additional disclosures. The significant changes include:

- Requiring the presentation of two net asset classes classified as "net assets without donor restrictions" and "net assets with donor restrictions";
- Modifying the presentation of underwater endowment funds and related disclosures;
- Requiring the use of the placed in-service approach to recognize the satisfaction of restrictions on gifts used to acquire or construct long-lived assets, absent explicit donor stipulations otherwise;
- Requiring that all not-for-profits present an analysis of expenses by function and nature in a separate statement or in the notes to the consolidated financial statements;
- Requiring disclosure of quantitative and qualitative information regarding liquidity;
- Presenting investment return net of external and direct internal investment expenses; and,
- Modifying other financial statement reporting requirements and disclosures intended to increase the usefulness to the reader.

For the year ended September 30, 2019, the Organization adopted the relevant provisions of ASU 2016-14 and similarly revised the presentation of its fiscal 2018 consolidated financial statements to align with the new reporting presentation.

Net Assets

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations or the donor-imposed restrictions have expired. All gifts, grants and bequests are considered to be classified as without donor restrictions unless specifically restricted by the donor. Net assets without donor restrictions include those net assets which have been designated by the Board of Directors for specific purposes as well as undesignated amounts for the working capital General Fund and the changes in the accounting for the pension plan.

Net assets with donor restrictions: Some net assets that are subject to donor-imposed restrictions either for use during a specified time period and/or for a particular purpose are temporary in nature. When a donor-imposed restriction is fulfilled or when a time restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions. Other net assets with donor restrictions that are subject to donor-imposed restrictions whereby the corpus must be maintained in perpetuity by the Organization, allow the Organization to use all or part of the income earned on related investments for general purposes or donor restricted purposes.

Revenue Recognition

Membership dues are recorded when received and are recognized as revenue during the applicable membership period. Membership dues collected prior to September 30 which relate to the next fiscal year are deferred until earned and are recorded as deferred membership dues on the accompanying consolidated statements of financial position. Lifetime membership dues are reflected as board-designated contributions and endowment contributions in the accompanying consolidated statements of activities in fiscal 2019 and 2018, respectively. Girl Scout Merchandise (“GSM”) sales are recorded when orders are shipped. Royalty income is recognized when earned. Contributions, including unconditional promises to give, are recognized as revenue in the year in which an unconditional promise to give is received and are considered to be available for unrestricted use unless specifically restricted by the donor. Restricted contributions are accounted for as net assets with donor restrictions. Conference revenues and expenses are reported in the fiscal year in which the conference is held. Amounts received in advance from attendees or costs paid in advance by the Organization for conferences occurring in the following fiscal year are deferred.

Contributions Receivable

Unconditional promises to give that are expected to be collected within a year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at their estimated present value using a risk adjusted rate. An allowance is recorded for estimated uncollectible contributions based upon management’s judgment and analysis of the creditworthiness of the donors, past collection experience, and other relevant factors, as necessary.

Deferred Gifts Receivable and Funds Held in Trust for Others

The Organization has been named as the sole or participating beneficiary in several charitable remainder trusts and perpetual trusts held by third-party trustees. A charitable remainder trust is an arrangement in which a donor establishes a trust with specified distributions to be made to a designated beneficiary or beneficiaries over the trust’s term. The Organization will receive its share of the assets remaining upon the termination of the charitable remainder trust. A perpetual trust held by a third party is an arrangement in which a donor establishes and funds a perpetual trust administered by a third party other than the beneficiary or beneficiaries. Under the terms of the perpetual trust, the beneficiary or beneficiaries have the right to receive the income earned on the trust assets in perpetuity, but never receive the assets held in the trust.

The Organization has recorded the estimated fair value of its interests in the trusts' assets as net assets with donor restrictions, in accordance with the trusts' terms.

The Organization is acting as an agent for funds held in trust for local councils associated with the pooled income fund and certain charitable remainder trusts. These funds are distributed to the local councils in accordance with donors' intentions.

The Organization enters into agreements with donors to accept and administer charitable gift annuities, which provide for payments to the donors or their beneficiaries based upon specified annuity amounts. Assets held under charitable gift annuities are included in investments. Contribution revenue is recognized at the date the annuity contract is established after recording the liability for the present value of the estimated future payments expected to be made to the donor and/or beneficiary. The liabilities are adjusted annually for changes in the life expectancy of the donor or beneficiary, amortization of the discount, and other changes in the estimates of future payments. The liabilities related to the Organization's charitable gift annuities totaled approximately $195,000 and $198,000 at September 30, 2019 and 2018, respectively, and are included in accounts payable and accrued liabilities. The discount rate used to value new charitable gift annuities ranged from 5.1% to 9.5% at September 30, 2019 and 5.1% to 9.2% at September 30, 2018.

Operating Measure

Operating revenues and expenses reflect the activities in which the Organization typically engages to fulfill its mission. The Organization utilizes a spending rate in making its annual investment allocation for support of operations. Investment income, including net realized and unrealized gains and losses, earned in excess of or less than the Organization's spending rate is recognized within non-operating revenue, gains and losses. Endowment contributions, the change in value of deferred gifts and charitable gift annuities, contributed advertising revenue and expense, pension costs other than service cost, other nonoperating pension charges and other items considered to be unusual or nonrecurring in nature are recorded below the operating indicator on the accompanying consolidated statement of activities.

Fair Value Measurements

The Organization follows guidance that established a framework for measuring fair value by utilizing a fair value hierarchy based on the inputs used to measure fair value and enhancing disclosure requirements for fair value measurements. This guidance maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3 - Securities that have little to no pricing observability. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Organization. The Organization considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Organization's perceived risk of that instrument (see Note 4).

Investments in mutual funds are valued based on published unit values. Investments in common stock are stated at quoted prices in an active market. Investments are pooled and the related investment income is allocated on a pro rata basis to the respective net asset classes.

Investments in private equity and hedge funds are stated at fair value based on valuations provided by the external investment managers or by the general partner or manager. Individual investment holdings within the alternative investments may include investments in both nonmarketable and market-traded securities. Fair value of the alternative investments is determined by management based on information provided by the investment manager or general partner. There are certain investments measured using a net asset value ("NAV") which is exempted from categorization within the fair value hierarchy and related disclosures. Instead, the Organization separately discloses the information required for assets measured using the NAV practical expedient, and discloses a reconciling item between the total amount of investments categorized within the fair value hierarchy and total investments measured at fair value on the face of the financial statements.

Investments in real estate are carried at estimated fair value based upon valuations performed by the investment managers and upon appraisal reports prepared annually by independent real estate appraisers.

Accounts Receivable

Accounts receivable primarily represent amounts due from Girl Scout councils and other vendors for Girl Scouts merchandise, amounts due from Girl Scout councils for membership dues payments, and amounts due from Girl Scout councils for technology licenses. Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of councils and other vendors to pay the amounts due.

At September 30, 2019 and 2018, accounts receivable consisted of the following:

	2019	2018
Accounts receivable	$ 5,448,000	$ 6,149,000
Less: allowance for doubtful accounts:		
Beginning of year	(219,000)	(244,000)
Writeoffs	13,000	26,000
Recoveries	-	(1,000)
(Increases) decreases in the allowance for doubtful accounts	(189,000)	-
End of year	(395,000)	(219,000)
Accounts receivable, net	$ 5,053,000	$ 5,930,000

Inventories

Inventories are stated at the lower of weighted-average cost or market value.

Property and Equipment

Property and equipment are included in the accompanying consolidated financial statements at cost or, if contributed, at the approximate fair value at the date of the gift. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets. The Organization capitalizes all property and equipment with a cost of at least $5,000 and an estimated useful life of more than one year. Software that has been purchased and developed for internal use and related upgrades and enhancements that result in additional functionality of the software are included in property and equipment. Related depreciation is recorded on a straight-line basis over the estimated useful lives of the software development costs.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and investments with maturities of three months or less, excluding cash and cash equivalents held as part of the investment portfolio.

The carrying amounts reported in the consolidated statements of financial position for cash and cash equivalents approximate fair value. At September 30, 2019, the majority of cash and cash equivalents were held by two major U.S. financial institutions.

Functional Expenses

The majority of expenses can be directly identified with the program or supporting service to which they relate and are charged accordingly. Other expenses including depreciation, occupancy, information technology, and administration services have been allocated among program and supporting service classifications using headcount by operating unit.

For the year ended September 30, 2019, the Organization’s total costs and expenses were approximately $150,932,000, consisting of program services expenses of approximately $135,492,000 (including GSM cost of sales of approximately $18,952,000 and commission expenses of $278,000), fundraising expenses of approximately $5,089,000 and management and general expenses of approximately $10,352,000 (including investment manager expenses of approximately $512,000).

For the year ended September 30, 2018, the Organization's total costs and expenses were approximately $145,335,000, consisting of program services expenses of approximately $131,135,000 (including GSM cost of sales of approximately $18,281,000 and commission expenses of $419,000), fundraising expenses of approximately $3,737,000 and management and general expenses of approximately $10,463,000 (including investment manager expenses of approximately $516,000).

Advertising Costs and Contributed Airtime

Advertising costs are expensed as incurred. Advertising costs totaled approximately $190,665,000 and $33,780,000 in fiscal 2019 and 2018, respectively. Of these advertising costs, approximately $4,264,000 and $7,169,000 was paid in cash in fiscal 2019 and 2018, respectively.

The remainder of the advertising costs represents in kind contributions received by the Organization primarily in the form of donated advertising on television, radio stations and in print. The fair value of such in-kind contributions, is determined by management including using information provided by a third-party advertising service, and approximated $186,401,000 and $26,611,000 for the years ended September 30, 2019 and 2018, respectively. The increase in 2019 was driven by the Organization's increased contributions of advertising in digital and social media and other channels. Such amounts are reflected in the accompanying consolidated financial statements as contributed advertising revenue and contributed advertising expense. The Organization's Marketing and Communications teams strive to use budget resources efficiently and make data-driven decisions.

Donated Goods and Services

In fiscal 2019, the Organization received $2,780,000 of donated goods and services including consulting and technical services, pro bono legal services and computer equipment. Revenues are included in gifts, grants and bequests and related expenses are included in operating expenses. In fiscal 2018, GSUSA received consulting, technical services and pro bono legal services and computer equipment of approximately $2,201,000.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US 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. The most significant management estimates and assumptions relate to the determination of allowances for doubtful accounts for merchandise sales, inventory obsolescence, and contributions receivable; the determination of year-end operating accruals; the useful lives assigned to property and equipment; actuarial assumptions used in estimating the pension liability; and the reported fair values of certain of the Organization's financial instruments, particularly non-marketable investments such as private equity, real estate, hedge fund, private bond fund, and collective trust fund investments. Actual results may differ from those estimates.

Concentration of Credit Risk

Cash, cash equivalents, and investments are exposed to various risks, such as interest rate, market and credit risks. To minimize such risks, the Organization has a diversified portfolio in a variety of asset classes managed by independent investment managers. The Organization's cash, cash equivalents and investments were placed with high credit quality financial institutions. The Organization regularly evaluates its investments including performance thereof. Due to inherent risks and potential volatility in investment valuations, the amounts reported in the accompanying consolidated financial statements can vary substantially from year to year. The Organization maintains its cash in various bank deposit accounts that, at times, may exceed federally insured limits; however, the Organization has not experienced, nor does it anticipate, any losses in such accounts.

Income Taxes

The Organization follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This standard provides that the tax effects from an uncertain tax position can be recognized in the consolidated financial statements only if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The standard also provides guidance on measurement, classification, interest and penalties, and disclosure and had no material impact on the accompanying consolidated financial statements. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

2018 Summarized Comparative Financial Information

The accompanying consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements as of and for the year ended September 30, 2018, from which the summarized information was derived.

Recent Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, Revenue from Contracts with Customers, which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers: Deferral of the Effective Date, which deferred the effective date of ASU 2014-09 by one year. The guidance is effective for annual periods beginning on or after December 15, 2018 for private entities (i.e. the Organization's fiscal year 2020). The guidance permits the use of either a retrospective or cumulative effect transition method. The Organization is currently evaluating the new guidance and has not determined the impact this standard may have on the consolidated financial statements nor decided upon the method of adoption.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made,* which requires organizations to determine whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. If the agreement (or a referenced document) includes both, the recipient is not entitled to the transferred assets (or a future transfer of assets) until it has overcome the barriers in the agreement. For recipients, the effective date of the amendments will align with *Revenue from Contracts with Customers*: effective for annual periods beginning after December 15, 2018 (i.e. the Organization's fiscal year 2020). The Organization is currently evaluating the new guidance and has not determined the impact this standard may have on the consolidated financial statements nor decided upon the method of adoption.

The Organization early adopted the guidance under FASB ASC 842, Leases ("ASC 842"), in fiscal year 2019 by applying a modified retrospective transition approach which resulted in the capitalization of the Organization's existing operating lease. As such, the Organization recorded an asset and liability on the consolidated statement of financial position to recognize the rights and obligations arising from leasing arrangements with contractual terms greater than 12 months. The Organization did not recognize an opening adjustment to net assets as a result of the adoption of ASC 842, and prior period amounts continue to be reported in accordance with previous guidance.

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. 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. The Organization strives to operate with a balanced budget and anticipates collecting sufficient revenue from memberships dues, sales of Girl Scout merchandise, royalties and contributions without donor restrictions to cover general expenditures not covered by donor restricted resources.

Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

Operating reserves of $76,314,000 and board-designated funds of $40,979,000 are subject to an annual spending rate of 4percent as described in Note 13. Although we do not intend to spend from the operating reserves or board-designated funds (other than amounts appropriated for general expenditure as part of our Board's annual budget approval and appropriation), these amounts could be made available and drawn upon through Board resolution.

Donor-restricted endowments are restricted for specific purposes with the exception of amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

In the event of an unanticipated liquidity need, the Organization also could draw upon $10,000,000 of an available line of credit (as further discussed in Note 9).

The table below reflects the Organization's financial assets as of September 30, 2019, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date due to contractual restrictions or internal board designations:

	2019
Cash and cash equivalents	$ 25,183,000
Investments	176,400,000
Accounts receivable	5,053,000
Contributions receivable	6,727,000
Endowment spending rate	5,379,000
Total financial assets	218,742,000
Board appropriated net assets	(1,720,000)
Board designated net assets	(117,293,000)
Donor designated endowments	(50,232,000)
Contributions receivable due in greater than one year	(2,235,000)
Charitable gift annuities	(605,000)
Donor designated contributions with liquidity greater than one year	(6,574,000)
Financial assets available to meet cash needs for general expenditures within one year	$ 40,083,000
Board Designated Net Assets - Other	$ 40,979,000
Board Designated Net Assets - Operating Reserve	76,314,000
	117,293,000
Total financial assets available to meet cash needs for general expenditures within one year including Board Designated Net Assets	$ 157,376,000

4. INVENTORIES

Inventories in warehouses and at suppliers were approximately $5,861,000 and $6,625,000 at September 30, 2019 and 2018, respectively.

Finished goods inventories are net of a reserve for obsolescence of approximately $600,000 and $640,000 at September 30, 2019 and 2018, respectively.

5. INVESTMENTS

Investments, at fair value were comprised approximately of the following at September 30, 2019 and 2018:

	2019	2018
Common stocks:		
Small capitalization equities	$ 4,583,000	$ 4,294,000
Mutual funds:		
Fixed income core securities	23,009,000	25,386,000
Domestic	5,114,000	5,042,000
International	5,968,000	5,615,000
Private equity funds	13,654,000	11,643,000
Private bond fund	8,623,000	8,103,000
Common collective trust	86,399,000	84,522,000
Hedge funds	19,238,000	18,777,000
Real estate funds	4,820,000	4,116,000
Money market funds	4,992,000	5,180,000
	$ 176,400,000	$ 172,678,000

Alternative investments represent hedge fund, limited partnership and similar interests held by the Organization in funds that invest in public and private securities and follow a variety of investment strategies. Terms and conditions of these investments, including liquidity provisions, are different for each fund. The Organization believes that the carrying amount of its alternative investments was a reasonable estimate of the fair value of such investments at September 30, 2019 and 2018. As is typical of investment portfolios of similar types of institutions, alternative investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed.

The Organization invests in hedge funds, which invest in a variety of investments through separate investment entities where an equity interest is acquired. While these investments may create indirect exposure to the Organization through trading in foreign currency forward contracts, the Organization's risk is limited to its capital balance in these investments.

The Organization utilizes a spending rate policy to make an annual investment income allocation for the support of operations of 4% of the average market value of the Organization's investment portfolio over the last four years.

Investment income has been reported as follows:

	2019			
	Without Donor Restrictions	With Donor Restrictions	Total	2018 Total
Interest and dividends, net of investment manager expenses of approximately $512,000 and $516,000 in fiscal 2019 and 2018, respectively	$ 1,533,000	$ 414,000	$ 1,947,000	$ 1,848,000
Net realized gains on sale of investments	1,754,000	742,000	2,496,000	5,543,000
Net unrealized gains on investments	2,842,000	1,197,000	4,039,000	4,526,000
Total investment gains	6,129,000	2,353,000	8,482,000	11,917,000
Investment income allocation used for current operations	(5,379,000)	(1,782,000)	(7,161,000)	(6,528,000)
Net investment gain in excess of income allocation	$ 750,000	$ 571,000	$ 1,321,000	$ 5,389,000

The following table represents the Organization's investments, measured at fair value, within the fair value hierarchy, as of September 30, 2019:

	Total	Level 1
Common stock:		
Small capitalization equities	$ 4,583,000	$ 4,583,000
Mutual Funds:		
Fixed income core securities	23,009,000	23,009,000
Domestic	5,115,000	5,115,000
International	5,967,000	5,967,000
Money market funds	4,992,000	4,992,000
Subtotal	43,666,000	$ 43,666,000
Investments carried at NAV	132,734,000	
Total	$ 176,400,000	

The following table represents the Organization's investments, measured at fair value, within the fair value hierarchy, as of September 30, 2018:

	Total	Level 1
Common stock:		
Small capitalization equities	$ 4,294,000	$ 4,294,000
Mutual Funds:		
Fixed income core securities	25,386,000	25,386,000
Domestic	5,042,000	5,042,000
International	5,615,000	5,615,000
Money market funds	5,180,000	5,180,000
Subtotal	45,517,000	$ 45,517,000
Investments carried at NAV	127,161,000	
Total	$ 172,678,000	

The Organization uses the NAV to determine the fair value of all the underlying investments which: (a) do not have a readily determinable fair value and (b) prepare their investees financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Per the accounting standard governing NAV as a practical expedient, the following tables list investments in other companies by major category as of September 30, 2019 and 2018:

2019

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	$ Amount of Unfunded Commitments	Timing to Drawdown Commitments
Private Equity Funds	Funds are focused on venture and buyout in the U.S, U.S. buyout primary partnerships, U.S. venture primary partnerships, and US credit primary partnerships.	$ 13,654,000	9	1 to 11 years	$ 10,012,000	1 to 8 years
Private Bond Fund	Funds are focused on capital appreciation through direct and/or indirect investments, and credit strategies.	8,623,000	1	N/A	-	N/A
Common Collective Trust	Collective Investment fund focusing on generating attractive return, through investment in a diversified portfolio of emerging markets debt and currency instruments.	86,399,000	5	N/A	-	N/A
Hedge Funds	Hedge funds focusing on absolute return strategies, credit strategies and maximizing ris-adjusted returns	19,238,000	4	N/A	-	N/A
Real Estate Fund	Focus is in specific markets, submarkets and properties with the potential for generating above average returns on a risk-adjusted basis.	4,820,000	2	N/A	3,268,000	N/A
Total		$ 132,734,000	21		$ 13,280,000	

2018

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	$ Amount of Unfunded Commitments	Timing to Drawdown Commitments
Private Equity Funds	Funds are focused on venture and buyout in the U.S, U.S. buyout primary partnerships, U.S. venture primary partnerships, and US credit primary partnerships.	$ 11,643,000	9	2 to 12 years	$ 12,413,000	2 to 9 years
Private Bond Fund	Funds are focused on capital appreciation through direct and/or indirect investments, and credit strategies.	8,103,000	1	N/A	-	N/A
Common Collective Trust	Collective Investment fund focusing on generating attractive return, through investment in a diversified portfolio of emerging markets debt and currency instruments.	84,522,000	5	N/A	-	N/A
Hedge Funds	Bond fund investing primarily in debt securities of non-investment grade (high yield) companies.	18,777,000	5	N/A	-	N/A
Real Estate Fund	Focus is in specific markets, submarkets and properties with the potential for generating above average returns on a risk-adjusted basis.	4,116,000	1	N/A	4,769,000	N/A
Total		$ 127,161,000	21		$ 17,182,000	

The Private Equity funds have no redemption terms. The Hedge Fund investments have redemption terms ranging from 95 to 370 days' notice and certain lockups range from 1 to 3 years. The Real Estate funds have a 6 months' notice period and redemption restrictions are on a pro rata basis. The Collective Trust funds may be redeemed daily and have no redemption restrictions.

6. CONTRIBUTIONS, DEFERRED GIFTS RECEIVABLE, AND GOVERNMENT CONTRACTS

Included in contributions and deferred gifts receivable, net, are contributions receivable, of approximately $6,727,000 and $6,856,000 at September 30, 2019 and 2018, respectively. Contributions to be received over a period greater than one year are normally discounted using a risk adjusted rate based on the pledge period as of the date of the pledge and are not subsequently adjusted. At September 30, 2019, short-term contributions receivable are approximately $4,622,000, long-term contributions receivable are $2,235,000, and the discount on long-term contributions receivable is $130,000.

Included as deferred gifts receivable are remainder interests in several irrevocable trusts. The present value of the Organization's share of future interests in charitable remainder trusts, which amounted to approximately $120,000 and $160,000 has been recorded as deferred gifts receivable at September 30, 2019 and 2018, respectively, and, in accordance with the terms of the trusts, is included in temporarily restricted net assets. The present value of the trusts was calculated using a discount rate of 5.0%. Beneficial interests in perpetual third-party trusts of approximately $249,000 and $256,000 valued at the Organization's share of the fair value of the underlying trust assets are included in permanently restricted net assets at September 30, 2019 and 2018, respectively.

At September 30, 2019 and 2018, the Organization's beneficial interest in investments held by third-party trustees were classified as Level 3 within the fair value hierarchy.

The following tables summarize the changes in the Organization's Level 3 beneficial interests in investments held by third-party trustees for the years ended September 30, 2019 and 2018, included within contributions and deferred gifts receivable on the consolidated statements of financial position:

	Charitable Trusts	Perpetual Trusts	Total
Balance October 1, 2018	$ 160,000	$ 256,000	$ 416,000
Realized gains (losses)	4,000	13,000	17,000
Unrealized gains (losses)	1,000	(19,000)	(18,000)
Purchases	3,000	86,000	89,000
Sales	(48,000)	(87,000)	(135,000)
Balance September 30, 2019	$ 120,000	$ 249,000	$ 369,000

	Charitable Trusts	Perpetual Trusts	Total
Balance October 1, 2017	$ 177,000	$ 245,000	$ 422,000
Realized gains (losses)	5,000	(2,000)	3,000
Unrealized gains (losses)	5,000	11,000	16,000
Purchases	2,000	4,000	6,000
Sales	(29,000)	(2,000)	(31,000)
Balance September 30, 2018	$ 160,000	$ 256,000	$ 416,000

In addition, the Organization has been awarded several renewable cost-reimbursement grants from federal agencies. The Organization has recorded the following revenue included in gifts, grants and bequests on the accompanying consolidated statement of activities for the year ended September 30, 2019:

Federal Agency	2019 Revenue	Cumulative Revenue	Cumulative Federal Appropriation
National Aeronautics and Space Administration	$ 683,000	$ 2,535,000	$ 3,345,000
Institute of Museum and Library Services	65,000	65,000	178,000
	$ 748,000	$ 2,600,000	$ 3,523,000

7. PROPERTY AND EQUIPMENT

Property and equipment are comprised, approximately, of the following at September 30, 2019 and 2018:

	2019	2018	Estimated Useful Lives
Buildings and improvements	$ 59,090,000	$ 58,051,000	10 to 40 years
Furniture and equipment	11,657,000	10,717,000	3 to 10 years
Software development costs	54,339,000	40,561,000	3 to 5 years
	125,086,000	109,329,000	
Less: accumulated depreciation	(75,846,000)	(65,748,000)	
	49,240,000	43,581,000	
Land	377,000	377,000	
	$ 49,617,000	$ 43,958,000	

Depreciation expense amounted to $10,098,000 and $9,352,000 for the years ended September 30, 2019 and 2018, respectively.

On November 7, 2016, GSUSA (through New York Girl Scouts, Inc., a New York nonprofit corporation which acts as nominee for GSUSA) sold floors 14-17 of its headquarters in the commercial condominium building at 420 Fifth Avenue, New York, New York for a purchase price of approximately $48,200,000 (less expenses associated with the sale of approximately $1,800,000). GSUSA continues to own floors 9-13, which it has renovated in order to be able to consolidate into a smaller footprint and to upgrade its systems to meet code and increase efficiencies. GSUSA also continues to own a ground floor commercial condominium space in the same building which it has renovated to create Girl Scout Central, a flagship retail store. While the renovations were underway, GSUSA temporarily leased back floors 14 - 17 from the new owner. In addition, GSUSA subleased the 4th floor as swing space during the renovations. The sale of floors resulted in a gain of $42,588,000 (net of $2,787,000 disposal of net book value of asset) and deferred gain of $2,839,000 that was recognized in 2018. The net proceeds of the sale after renovations of approximately $17,290,000 in fiscal 2017 and $2,266,000 in fiscal 2018 were placed in a board-designated fund: the Movement Growth Fund. The National Board currently provides the income from that fund annually to councils as pension relief, subject to validation by the Board on an annual basis.

Included in property and equipment are assets acquired under finance lease arrangements with terms ranging from three to five years. At September 30, 2019 and 2018, computers and equipment acquired under such leases had a cost of approximately $291,000 and $290,000, respectively, with accumulated depreciation of approximately $191,000 and $115,000, respectively.

8. GIRL SCOUT MERCHANDISE (GSM)

GSM purchases uniforms and other products from manufacturers which it sells to councils and other customers on a wholesale and retail basis. GSM also licenses to manufacturers and other vendors the right to use the Organization's name and service marks on their products. Net revenue from GSM is used to further the program activities of the Organization. Summarized revenue and expenses relating to GSM are set forth below:

	Years Ended September 30,	
	2019	2018
Sales and other income	$ 42,768,000	$ 43,318,000
Less: cost of sales	(18,952,000)	(18,281,000)
Gross profit	23,816,000	25,037,000
Royalties, net of commission expense	9,386,000	8,400,000
	33,202,000	33,437,000
Girl program development and adult learning opportunities	(14,556,000)	(12,672,000)
	$ 18,646,000	$ 20,765,000

Included in GSM program development expenses are redistributed charges, which are overhead operations costs for expenses allocated to GSM of approximately $5,466,000 and $5,599,000 for the years ended September 30, 2019 and 2018, respectively.

9. LINES OF CREDIT

On October 14, 2016, the Organization entered into a $10,000,000, 364 day secured revolving credit facility which is secured by certain of the Organization's investments. Effective October 11, 2019, the credit agreement was amended with a new expiration date of October 9, 2020. There were no borrowings against this line of credit in both fiscal years 2018 and 2019.

10. BOARD-DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS

Board-designated net assets without donor restrictions are neither restricted by time or donor stipulations, but were designated by the Board of Directors for specified purposes. Board-designated net assets without donor restrictions were comprised of the following at September 30, 2019 and 2018:

	2019	2018
Operating reserves	$ 76,314,000	$ 75,631,000
Board designated funds	43,824,000	44,226,000
Other	1,720,000	1,810,000
Total	$ 121,858,000	$ 121,667,000

11. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were released from donor restrictions by incurring expenses and/or time restrictions having lapsed satisfying the restricted purposes approximately as follows at September 30, 2019 and 2018:

	2019	2018
Purpose restricted:		
Comprehensive council support	$ 37,729,000	$ 37,170,000
Girl program development and adult learning opportunities	29,539,000	28,340,000
	67,268,000	65,510,000
Time restricted	369,000	416,000
	$ 67,637,000	$ 65,926,000

12. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses and/or time restrictions having lapsed satisfying the restricted purposes approximately as follows at September 30, 2019 and 2018:

	2019	2018
Purpose restrictions satisfied:		
Comprehensive council support	$ 2,413,000	$ 2,387,000
Girl program development and adult learning opportunities	8,523,000	6,713,000
	$ 10,936,000	$ 9,100,000

13. ENDOWMENT FUND

The Organization follows the provisions of "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds." This standard provides guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations subject to the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), passed by the District of Columbia, and also requires additional disclosures about endowments for both donor-restricted funds and board-designated funds.

The Organization has interpreted the District of Columbia 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 net assets with donor 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 accumulations to the permanent endowment made in accordance with the directions of the applicable donor gift instrument, at the time the accumulation is added to the fund.

Accumulated earnings of the donor restricted endowment fund are classified in net assets with donor restrictions until such amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the purpose, duration, and preservation of the endowment fund; expected total return of investments; general economic conditions; other resources of the Organization; and the investment policy of the Organization.

The Organization has a policy of appropriating for distribution a certain percentage (4% in 2019 and 2018) of its endowment fund's average fair value over the prior four years. In establishing this policy, the Organization considered the long-term expected return on its endowment. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The Organization has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

To satisfy its long-term 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 diverse asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The following table summarizes the changes in endowment net assets for the year ended September 30, 2019:

Composition of Endowment Net Assets by Type of Fund	**Net Assets without Donor Restrictions**	**Net Assets with Donor Restrictions**	**Total**
Donor-restricted endowment funds	$ -	$ 52,125,000	$ 52,125,000
Board-designated endowment funds	120,138,000	-	120,138,000
Total	$ 120,138,000	$ 52,125,000	$ 172,263,000
Changes in Endowment Net Assets			
Endowment net assets, beginning of year	$ 119,857,000	$ 51,404,000	$ 171,261,000
Investment return:			
Investment income	980,000	414,000	1,394,000
Net appreciation (realized and unrealized)	4,596,000	1,939,000	6,535,000
Contributions	1,259,000	53,000	1,312,000
Transfer from Macy Scholarship	(600,000)	-	(600,000)
Transfer from Capital Fund for Caribe Matching Grant	(61,000)	-	(61,000)
Appropriation of endowment assets for expenditure	(4,826,000)	(1,780,000)	(6,606,000)
Other changes	(1,067,000)	95,000	(972,000)
Endowment net assets, end of year	$ 120,138,000	$ 52,125,000	$ 172,263,000

The following table summarizes the changes in endowment net assets for the year ended September 30, 2018:

Composition of Endowment Net Assets by Type of Fund	**Net Assets without Donor Restrictions**	**Net Assets with Donor Restrictions**	**Total**
Donor-restricted endowment funds	$ -	$ 51,404,000	$ 51,404,000
Board-designated endowment funds	119,857,000	-	119,857,000
Total	$ 119,857,000	$ 51,404,000	$ 171,261,000
Changes in Endowment Net Assets			
Endowment net assets, beginning of year	$ 114,661,000	$ 47,946,000	$ 162,607,000
Investment return:			
Investment income	1,027,000	424,000	1,451,000
Net appreciation (realized and unrealized)	7,127,000	2,942,000	10,069,000
Contributions	-	1,669,000	1,669,000
Transfer from sale of floors to add to Movement Growth Fund	2,266,000	-	2,266,000
Transfer from Capital Fund for Caribe Matching Grant	(296,000)	-	(296,000)
Appropriation of endowment assets for expenditure	(3,872,000)	(1,516,000)	(5,388,000)
Other changes	(1,056,000)	(61,000)	(1,117,000)
Endowment net assets, end of year	$ 119,857,000	$ 51,404,000	$ 171,261,000

Excluded from net assets with donor restrictions permanently restricted net assets from the tables above at September 30, 2019 and 2018 are approximately $249,000 and $256,000, respectively, of perpetual trusts held by third-parties.

14. BENEFIT PLANS

The Organization sponsors a noncontributory defined benefit retirement plan (the “Plan”) for its employees. The Plan was amended on April 16, 2011 to cease accruals as of December 31, 2011 for employees participating in the Plan and employees hired on or after January 1, 2012 may not enter the Plan. Benefits are based on years of service and salary level. Contributions to the Plan are made based upon payment schedules provided by the actuaries of the Plan. Normal retirement age is 65, but provisions are made for early retirement.

The Plan’s actuary performed the computations required for financial statement disclosure as of September 30, 2019 and 2018.

Plan assets, which are held by the Bank of New York/Mellon and the Metropolitan Life Insurance Company, are stated at fair value at September 30 and are composed primarily of investments in common stock, publicly traded debt and equity mutual funds, private equities, hedge funds, a collective trust, and real estate.

The following table sets forth the amounts reported in the Organization's consolidated statements of financial position and other information relative to the Plan as of and for the years ended September 30, 2019 and 2018:

	2019	2018
Net amounts recognized in the consolidated statements of financial position:		
Beginning of year	$ (23,703,000)	$ (30,240,000)
Service cost	(1,196,000)	(1,086,000)
Interest cost	(4,341,000)	(4,122,000)
Expected return on plan assets	5,207,000	5,381,000
Employer contributions	6,400,000	4,300,000
Net (loss)/gain	(8,025,000)	2,064,000
End of year	(25,658,000)	(23,703,000)
Reconciliation of benefit obligation:		
Obligation, beginning of year	$ 112,667,000	$ 122,045,000
Service cost including expenses	1,196,000	1,086,000
Interest cost	4,341,000	4,122,000
Actuarial loss/gain	14,461,000	(5,532,000)
Benefit payments and expected expenses	(8,478,000)	(9,054,000)
Obligations, end of year	124,187,000	112,667,000
Reconciliation of fair value of plan assets:		
Fair value of Plan assets, beginning of year	$ 88,964,000	$ 91,805,000
Actual return on Plan assets	11,644,000	1,913,000
Employer contributions	6,400,000	4,300,000
Benefits payments and actual expenses	(8,479,000)	(9,054,000)
Fair value of Plan assets, end of year	98,529,000	88,964,000
Funded status	$ (25,658,000)	$ (23,703,000)
Amounts recognized in net assets without donor restrictions:		
Net loss	$ (35,990,000)	$ (30,159,000)
Components of net periodic benefit cost:		
Service cost	$ 1,196,000	$ 1,086,000
Interest cost	4,342,000	4,122,000
Expected return on Plan assets	(5,207,000)	(5,381,000)
Amortization of prior service cost	(12,000)	(12,000)
Amortization of net loss	2,205,000	2,644,000
Net periodic benefit cost	$ 2,524,000	$ 2,459,000

	2019	2018
Other changes in assets and benefit obligations recognized in net assets without donor restrictions:		
Net loss/ (gain)	$ 8,024,000	$ (2,064,000)
Amortization or curtailment recognition of prior service credit	12,000	12,000
Amortization of net gain	(2,205,000)	(2,644,000)
Total amount recognized in net assets without donor restrictions	$ 5,831,000	$ (4,696,000)
Weighted-average assumptions:		
Discount rate used to calculate benefit obligation	2.80%	4.00%
Discount rate used to calculate net periodic benefit cost	2.80%	4.00%
Expected long-term rate of return on Plan assets	6.00%	6.00%
Average rate of increase in compensation levels	NA	NA

The Organization's Investment Subcommittee (the "Committee") monitors the target asset allocation (as approved by the Board of Directors) and asset performance. The Board of Directors approved a glide path policy for the Plan which, as funded status improves, gradually de-risks the Plan by investing in assets which better hedge the economic exposures of the liabilities (generally long duration bonds). The expected long-term rate of return is determined by using target asset allocation and historical returns for each asset class.

The fair values of the Plan's investment securities classified by level as of September 30, 2019 are as follows:

	Total	Level 1	Level 2
Common stock:			
Small capitalization equities	$ 1,343,000	$ 1,343,000	$ -
Mutual funds:			
Domestic	6,169,000	6,169,000	-
International	1,743,000	1,743,000	-
Money market funds	1,369,000	1,369,000	-
Guaranteed contract	48,000	-	48,000
Subtotal	10,672,000	$ 10,624,000	$ 48,000
Investment carried at NAV	87,857,000		
Total	$ 98,529,000		

The fair values of the Plan's investment securities classified by level as of September 30, 2018 are as follows:

	Total	Level 1	Level 2
Common stock:			
Small capitalization equities	$ 752,000	$ 752,000	$ -
Mutual funds:			
Domestic	5,405,000	5,405,000	-
International	1,442,000	1,442,000	-
Money market funds	1,992,000	1,992,000	-
Guaranteed contract	18,000	-	18,000
Subtotal	9,609,000	$ 9,591,000	$ 18,000
Investment carried at NAV	79,355,000		
Total	$ 88,964,000		

Per the accounting standard governing NAV as a practical expedient, the following tables list the Plan's investment in other companies by major category and then by investment manager as of September 30, 2019 and 2018:

2019

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	$ Amount of Unfunded Commitments	Timing to Drawdown Commitments
Private Equities	Funds are focused on venture and buyout in the U.S., U.S. buyout primary partnerships, U.S. venture primary partnerships, and U.S. credit primary partnerships.	$ 2,856,000	9	1 to 7 years	$ 449,000	1 to 2 years
Private Bond Fund	Funds are focused on capital appreciation through direct and/or indirect investments and credit strategies	2,985,000	1	N/A	N/A	N/A
Hedge Funds	Funds are focused on absolute return strategies, credit strategies and maximizing risk-adjusted returns.	5,762,000	2	N/A	N/A	N/A
Collective Trust	Collective Investment fund focusing on generating attractive return, through investment in a diversified portfolio of emerging markets debt and currency instruments.	73,234,000	8	N/A	N/A	N/A
Real Estate	Focus is in specific markets, submarkets and properties with the potential for generating above average returns on a risk-adjusted basis.	3,020,000	1	N/A	N/A	N/A
Total		$ 87,857,000	21		$ 449,000	

2018

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	$ Amount of Unfunded Commitments	Timing to Drawdown Commitments
Private Equities	Funds are focused on venture and buyout in the U.S., U.S. buyout primary partnerships, U.S. venture primary partnerships, and U.S. credit primary partnerships.	$ 2,994,000	9	2 to 8 years	$ 538,000	2 to 3 years
Private Bond Fund	Funds are focused on capital appreciation through direct and/or indirect investments and credit strategies	2,805,000	1	N/A	N/A	N/A
Hedge Funds	Funds are focused on capital appreciation through direct and/or indirect investments, and credit strategies.	5,615,000	2	N/A	N/A	N/A
Collective Trust	Collective Investment fund focusing on generating attractive return, through investment in a diversified portfolio of emerging markets debt and currency instruments.	65,093,000	8	N/A	N/A	N/A
Real Estate	Focus is in specific markets, submarkets and properties with the potential for generating above average returns on a risk-adjusted basis.	2,848,000	1	N/A	N/A	N/A
Total		$ 79,355,000	21		$ 538,000	

The Private Equity funds have no redemption terms. The Hedge Fund investments have redemption terms ranging from 95 to 370 days' notice and certain lockups range from 1 to 3 years. The Real Estate funds have a 65 day notice period and redemption restrictions are on a pro rata basis. The Collective Trust funds may be redeemed daily and have no redemption restrictions. The Private Bond fund's redemption terms require a written request 15 days before withdrawal.

The following benefits which reflect expected future service, as appropriate, are expected to be paid approximately as follows:

Fiscal	
2020	$ 8,572,000
2021	8,125,000
2022	7,901,000
2023	7,667,000
2024	7,462,000
2025 - 2029	35,278,000

Contributions made to the Plan during the fiscal years ended September 30, 2019 and 2018 were $6,400,000 and $4,300,000, respectively. A contribution of approximately $1,400,000 is expected to be made for fiscal year 2020.

Effective December 31, 2011, benefit accruals under the defined benefit retirement plan ceased. During fiscal 2011, the Organization amended its 401(k) plan, effective January 1, 2012, to make a base employer contribution of 2% of compensation up to Internal Revenue code limit, and a matching contribution of 100% of the first 1% of employee deferrals, plus 50% of the next 5% of employee deferrals (a maximum of 3.5% of compensation) subject to Internal Revenue Service limits. Employer contributions to the 401(k) for the fiscal year ended September 30, 2019 were $2,080,000 and for the fiscal year ended September 30, 2018 were $1,827,000.

15. POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

Post- retirement group health care coverage may be offered to employees who participate in The Girl Scouts of the USA Retirement Plan, have an employment status change immediately from active employee to retiree, and promptly commence to collect a pension annuity. If the retiree meets the above criteria, the coverage is also offered to their eligible dependents.

Additionally, retirees who meet the above requirements are currently offered a benefits stipend of $500 annually to offset their medical premium.

GSUSA reserves the right to change and/or discontinue these offerings at any time.

The Organization funds its postretirement benefit costs on a pay-as-you-go basis; however, for financial reporting purposes, the Organization records these benefits as employees earn them. The related liability totaled approximately $57,000 and $64,000 in fiscal 2019 and 2018, respectively, and is included within accounts payable and accrued liabilities on the accompanying consolidated statements of financial position.

16. LEASE COMMITMENTS

The Organization has one operating lease for office space and various finance leases for equipment. The operating lease does not contain any material residual value guarantees or material restrictive covenants and has a remaining lease term of 10.75 years. It allows for first 9 months of rent abatement. The right-of-use asset and lease liability were recognized at the lease commencement date based on the present value of its lease payments over the lease term. A risk adjusted rate of 2.81% was used to determine the present value of the lease payments, which are recognized on a straight-line basis over the lease term. Operating lease cost was approximately $235,000 and $284,000 for the years ended September 30, 2019 and 2018, respectively. At September 30, 2019, the operating lease right-of-use asset is approximately $1,008,000 and is included in property and equipment, net on the accompanying consolidated statement of financial position. At September 30, 2019, the operating lease liability is approximately $1,027,000 and is included in accounts payable and accrued expenses on the accompanying consolidated statement of financial position.

The finance lease arrangements are due to expire on various dates through fiscal year 2021. The equipment is capitalized as leased property and amortized on a straight-line basis over the term of the lease. The corresponding obligation under the finance leases represents the present value of the rental payments. Principal payments for the years ended September 30, 2019 and 2018 under all finance leases totaled approximately $170,000 and $108,000, respectively. Amounts outstanding under these finance leases are included in accounts payable and accrued expenses on the accompanying consolidated statements of financial position at September 30, 2019 and 2018 and totaled approximately $118,000 and $178,000, respectively.

The following is a schedule of future minimum rental payments required under the various leases as of September 30, 2019:

Fiscal	
2020	$ 125,000
2021	138,000
2022	111,000
2023	114,000
2024	117,000
Thereafter	709,000
Total	$ 1,314,000

17. SUBSEQUENT EVENTS

The Organization evaluated its September 30, 2019 consolidated financial statements for subsequent events through January 23, 2020, the date the consolidated financial statements were available to be issued. The Organization is not aware of any subsequent events, other than the matter disclosed in Note 9, which would require recognition or disclosure in the accompanying consolidated financial statements.

SUPPLEMENTARY INFORMATION

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidating Schedule of Property and Equipment
As of September 30, 2019

	New York Girl Scouts, Inc.	GSUSA	Total
Buildings and improvements	$ 55,733,000	$ 3,357,000	$ 59,090,000
Furniture and equipment	-	11,657,000	11,657,000
Software development costs	-	54,339,000	54,339,000
	55,733,000	69,353,000	125,086,000
Less: accumulated depreciation	(34,951,000)	(40,895,000)	(75,846,000)
	20,782,000	28,458,000	49,240,000
Land	124,000	253,000	377,000
Total property and equipment, net	$ 20,906,000	$ 28,711,000	$ 49,617,000

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidating Schedule of Property and Equipment
As of September 30, 2018

	New York Girl Scouts, Inc.	GSUSA	Total
Buildings and improvements	$ 55,701,000	$ 2,350,000	$ 58,051,000
Furniture and equipment	-	10,717,000	10,717,000
Software development costs	-	40,561,000	40,561,000
	55,701,000	53,628,000	109,329,000
Less: accumulated depreciation	(32,845,000)	(32,903,000)	(65,748,000)
	22,856,000	20,725,000	43,581,000
Land	124,000	253,000	377,000
Total property and equipment, net	$ 22,980,000	$ 20,978,000	$ 43,958,000

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidating Statement of Financial Position
As of September 30, 2019

	New York Girl Scouts, Inc.	GSUSA	Consolidated
ASSETS			
ASSETS			
Cash and cash equivalents	$ -	$ 25,183,000	$ 25,183,000
Accounts receivable, net of allowance for doubtful accounts of approximately $395,000 in 2019	-	5,053,000	5,053,000
Inventories, net	-	5,861,000	5,861,000
Prepaid expenses	-	1,649,000	1,649,000
Investments	-	176,400,000	176,400,000
Contributions and deferred gifts receivable, net	-	7,096,000	7,096,000
Funds held in trust for others	-	538,000	538,000
Property and equipment, net	20,906,000	28,711,000	49,617,000
Total assets	$ 20,906,000	$ 250,491,000	$ 271,397,000
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable and accrued liabilities	$ -	$ 22,391,000	$ 22,391,000
Pension liability	-	25,658,000	25,658,000
Funds held in trust for others	-	538,000	538,000
Deferred revenues:			
Membership dues	-	34,946,000	34,946,000
Other	-	146,000	146,000
Total liabilities	-	83,679,000	83,679,000
NET ASSETS			
Without donor restrictions:			
Operating fund	20,906,000	13,308,000	34,214,000
Pension fund	-	(35,990,000)	(35,990,000)
Board designated	-	121,857,000	121,857,000
	20,906,000	99,175,000	120,081,000
With donor restrictions:			
Purpose restricted	-	39,557,000	39,557,000
Time-restricted for future periods	-	369,000	369,000
Perpetual in nature	-	27,711,000	27,711,000
Total net assets	20,906,000	166,812,000	187,718,000
Total liabilities and net assets	$ 20,906,000	$ 250,491,000	$ 271,397,000

GIRL SCOUTS OF THE UNITED STATES OF AMERICA
Consolidating Statement of Financial Position
As of September 30, 2018

	New York Girl Scouts, Inc.	GSUSA	Consolidated
ASSETS			
ASSETS			
Cash and cash equivalents	$ -	$ 34,058,000	$ 34,058,000
Accounts receivable, net of allowance for doubtful accounts of approximately $219,000 in 2018	-	5,930,000	5,930,000
Inventories, net	-	6,625,000	6,625,000
Prepaid expenses	-	1,670,000	1,670,000
Investments	-	172,678,000	172,678,000
Contributions and deferred gifts receivable, net	-	7,271,000	7,271,000
Funds held in trust for others	-	529,000	529,000
Property and equipment, net	22,980,000	20,978,000	43,958,000
Total assets	$ 22,980,000	$ 249,739,000	$ 272,719,000
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable and accrued liabilities	$ -	$ 16,343,000	$ 16,343,000
Pension liability	-	23,703,000	23,703,000
Funds held in trust for others	-	529,000	529,000
Deferred revenues:			
Membership dues	-	33,239,000	33,239,000
Other	-	76,000	76,000
Total liabilities	-	73,890,000	73,890,000
NET ASSETS			
Without donor restrictions:			
Operating fund	22,980,000	18,415,000	41,395,000
Pension fund	-	(30,159,000)	(30,159,000)
Board designated	-	121,667,000	121,667,000
	22,980,000	109,923,000	132,903,000
With donor restrictions:			
Purpose restricted	-	37,802,000	37,802,000
Time-restricted for future periods	-	416,000	416,000
Perpetual in nature	-	27,708,000	27,708,000
Total net assets	22,980,000	175,849,000	198,829,000
Total liabilities and net assets	$ 22,980,000	$ 249,739,000	$ 272,719,000