

**NEW AMERICA FOUNDATION
DBA: NEW AMERICA**

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023



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**NEW AMERICA FOUNDATION DBA: NEW AMERICA
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INDEPENDENT AUDITORS' REPORT

Board of Directors
New America Foundation
dba New America
Washington, DC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of New America Foundation dba: New America (New America), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New America as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the New America and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New America's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the New America's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Columbia, Maryland
October 6, 2025

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023**

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 14,756,045	\$ 18,044,451
Contributions and Grants Receivable, Current Portion	13,459,852	15,089,358
Contracts/Fees for Services Receivable	153,776	101,707
Employee Retention Credit Receivable	2,370,026	-
Other Receivable	206,555	292,192
Investments	24,432,074	22,731,276
Prepaid Expenses	128,387	79,615
Total Current Assets	55,506,715	56,338,599
 PROPERTY AND EQUIPMENT, NET	 3,104,621	 3,435,968
 OTHER ASSETS		
Right-of-Use Assets - Financing Leases	15,027	5,381
Right-of-Use Assets - Operating Leases	17,472,362	19,919,443
Employee Retention Credit Receivable	-	2,074,293
Deferred Compensation - Assets	675,442	546,741
Certificate of Deposit	250,028	250,000
Contributions and Grants Receivable, Net of Current Portion, Discounted for Present Value	4,398,941	5,455,744
Total Other Assets	22,811,800	28,251,602
Total Assets	\$ 81,423,136	\$ 88,026,169

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2024 AND 2023**

	2024	2023
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 3,367,907	\$ 2,751,427
Lease Liability - Financing Leases	12,267	5,714
Lease Liability - Operating Leases	3,380,001	3,242,129
Deferred Revenue	11,667	16,667
Total Current Liabilities	6,771,842	6,015,937
LONG-TERM LIABILITIES		
Lease Liability - Financing Leases	3,231	-
Lease Liability - Operating Leases	21,658,770	25,038,771
Deferred Compensation - Liability	675,442	546,741
Total Long-Term Liabilities	22,337,443	25,585,512
Total Liabilities	29,109,285	31,601,449
NET ASSETS		
Without Donor Restrictions:		
Undesignated	14,066,891	11,670,306
Board Designated	1,000,000	1,000,000
Total Without Donor Restrictions	15,066,891	12,670,306
With Donor Purpose Restrictions	37,246,960	43,754,414
Total Net Assets	52,313,851	56,424,720
Total Liabilities and Net Assets	\$ 81,423,136	\$ 88,026,169

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and Grants	\$ 7,516,031	\$ 25,313,670	\$ 32,829,701
Federal Grants and Contracts	873,779	25,000	898,779
Contracts/Fees for Service	1,340,351	-	1,340,351
Investment Income	1,864,857	-	1,864,857
Rental Income	201,394	-	201,394
In-Kind Revenue	44,100	-	44,100
Other Income	67,845	-	67,845
Loss on Foreign Currency Exchange	(5,183)	-	(5,183)
Net Assets Released from Restrictions	<u>31,846,124</u>	<u>(31,846,124)</u>	<u>-</u>
Total Revenue and Support	43,749,298	(6,507,454)	37,241,844
EXPENSES			
Program Services:			
Global Policy Programs	2,411,166	-	2,411,166
Domestic Policy Programs	21,585,674	-	21,585,674
Technology Policy Programs	5,567,084	-	5,567,084
Fellows Program	1,157,885	-	1,157,885
Other	<u>2,001,103</u>	<u>-</u>	<u>2,001,103</u>
Total Program Services	32,722,912	-	32,722,912
Supporting Services:			
Management and General	5,574,401	-	5,574,401
Events, Editorial, and Communication	1,300,449	-	1,300,449
Development	<u>1,754,951</u>	<u>-</u>	<u>1,754,951</u>
Total Supporting Services	<u>8,629,801</u>	<u>-</u>	<u>8,629,801</u>
Total Expenses	<u>41,352,713</u>	<u>-</u>	<u>41,352,713</u>
CHANGE IN NET ASSETS	2,396,585	(6,507,454)	(4,110,869)
Net Assets - Beginning of Year	<u>12,670,306</u>	<u>43,754,414</u>	<u>56,424,720</u>
NET ASSETS - END OF YEAR	<u>\$ 15,066,891</u>	<u>\$ 37,246,960</u>	<u>\$ 52,313,851</u>

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and Grants	\$ 4,225,484	\$ 37,148,561	\$ 41,374,045
Employee Retention Credit	2,074,293	-	2,074,293
Federal Grants and Contracts	1,190,501	122,684	1,313,185
Contracts/Fees for Service	691,999	-	691,999
Investment Income	1,073,248	-	1,073,248
Rental Income	143,610	-	143,610
Other Income	107,834	-	107,834
Loss on Foreign Currency Exchange	(5,020)	-	(5,020)
Gain on Disposal of Equipment	831	-	831
Net Assets Released from Restrictions	<u>33,172,478</u>	<u>(33,172,478)</u>	<u>-</u>
Total Revenue and Support	<u>42,675,258</u>	<u>4,098,767</u>	<u>46,774,025</u>
EXPENSES			
Program Services:			
Global Policy Programs	2,038,623	-	2,038,623
Domestic Policy Programs	21,908,417	-	21,908,417
Technology Policy Programs	5,632,624	-	5,632,624
Fellows Program	1,027,250	-	1,027,250
Other	<u>1,877,918</u>	<u>-</u>	<u>1,877,918</u>
Total Program Services	<u>32,484,832</u>	<u>-</u>	<u>32,484,832</u>
Supporting Services:			
Management and General	5,469,388	-	5,469,388
Events, Editorial, and Communication	1,179,995	-	1,179,995
Development	<u>1,689,807</u>	<u>-</u>	<u>1,689,807</u>
Total Supporting Services	<u>8,339,190</u>	<u>-</u>	<u>8,339,190</u>
Total Expenses	<u>40,824,022</u>	<u>-</u>	<u>40,824,022</u>
CHANGE IN NET ASSETS	1,851,236	4,098,767	5,950,003
Net Assets - Beginning of Year	<u>10,819,070</u>	<u>39,655,647</u>	<u>50,474,717</u>
NET ASSETS - END OF YEAR	<u><u>\$ 12,670,306</u></u>	<u><u>\$ 43,754,414</u></u>	<u><u>\$ 56,424,720</u></u>

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024**

	Program Services					Supporting Services					Total
	Global Policy Programs	Domestic Policy Programs	Technology Policy Programs	Fellows Program	Other	Total Program Services	Management and General	Events, Editorial, and Communication	Development	Total Supporting Services	
Salaries and Related Expenses:											
Salaries	\$ 1,030,132	\$ 10,459,294	\$ 2,630,138	\$ 280,584	\$ 486,387	\$ 14,886,535	\$ 3,031,345	\$ 1,334,991	\$ 1,126,749	\$ 5,493,085	\$ 20,379,620
Employee Benefits and Payroll Taxes	264,459	2,729,500	681,874	71,758	125,371	3,872,962	863,680	349,032	295,402	1,508,114	5,381,076
Total Salaries and Related Expenses	1,294,591	13,188,794	3,312,012	352,342	611,758	18,759,497	3,895,025	1,684,023	1,422,151	7,001,199	25,760,696
Consultants and Nonresidential Fellows	633,892	4,463,893	1,086,161	652,673	1,213,366	8,049,985	250,193	344,206	209,428	803,827	8,853,812
Occupancy	184,632	1,906,588	478,763	50,927	85,968	2,706,878	361,021	26,313	14,350	401,684	3,108,562
Travel	140,998	546,566	186,461	56,399	33,035	963,459	114,388	10,444	22,065	146,897	1,110,356
Supplies, Small Tools, and Equipment	14,796	141,400	9,113	4,087	622	170,018	465,840	116,448	39,495	621,783	791,801
Depreciation and Amortization	24,940	253,229	63,678	6,793	11,449	360,089	109,058	33,536	18,289	160,883	520,972
Professional Services	3,163	20,720	7,109	1,545	-	32,537	192,304	129,783	8,100	330,187	362,724
Conferences and Meetings	29,376	143,708	25,432	11,576	9,287	219,379	9,677	17,745	971	28,393	247,772
Miscellaneous Expenses	-	103,835	61,166	392	35	165,428	21,564	2,066	11,260	34,890	200,318
Contribution and Return of Grant Funds	-	4,316	106,095	-	-	110,411	-	-	107	107	110,518
Publications and Subscriptions	3,323	19,324	33,316	247	891	57,101	11,613	7,512	4,709	23,834	80,935
Telephones and Communications	179	5,333	1,474	364	258	7,608	68,180	4,672	-	72,852	80,460
Staff Recruitment and Development	-	21,763	4,206	-	-	25,969	40,317	3,288	2,200	45,805	71,774
Marketing, Printing, Postage, and Copying	6,560	2,643	530	169	-	9,902	12,516	3,804	354	16,674	26,576
Bank Fees	165	929	63	-	47	1,204	21,028	56	1,472	22,556	23,760
Interest	-	-	-	-	-	-	1,410	-	-	1,410	1,410
Bad Debt Expense	-	-	-	-	-	-	267	-	-	267	267
Allocated Editorial, Events, and Communications	74,551	762,633	191,505	20,371	34,387	1,083,447	-	(1,083,447)	-	(1,083,447)	-
Total Functional Expenses	2,411,166	21,585,674	5,567,084	1,157,885	2,001,103	32,722,912	5,574,401	1,300,449	1,754,951	8,629,801	41,352,713
Allocated Management and General	236,280	1,962,724	488,393	138,829	200,943	3,027,169	(3,027,169)	-	-	(3,027,169)	-
Total Expenses After Management and General Allocation	\$ 2,647,446	\$ 23,548,398	\$ 6,055,477	\$ 1,296,714	\$ 2,202,046	\$ 35,750,081	\$ 2,547,232	\$ 1,300,449	\$ 1,754,951	\$ 5,602,632	\$ 41,352,713

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023**

	Program Services					Supporting Services					Total
	Global Policy Programs	Domestic Policy Programs	Technology Policy Programs	Fellows Program	Other	Total Program Services	Management and General	Events, Editorial, and Communication	Development	Total Supporting Services	
Salaries and Related Expenses:											
Salaries	\$ 957,172	\$ 8,998,612	\$ 2,479,021	\$ 266,900	\$ 490,083	\$ 13,191,788	\$ 2,445,512	\$ 1,090,788	\$ 1,160,818	\$ 4,697,118	\$ 17,888,906
Employee Benefits and Payroll Taxes	232,980	2,198,984	610,740	64,093	120,925	3,227,722	603,932	264,443	286,515	1,154,890	4,382,612
Total Salaries and Related Expenses	1,190,152	11,197,596	3,089,761	330,993	611,008	16,419,510	3,049,444	1,355,231	1,447,333	5,852,008	22,271,518
Consultants and Nonresidential Fellows	416,529	7,326,753	1,554,939	560,482	1,103,238	10,961,941	578,365	381,476	93,414	1,053,255	12,015,196
Occupancy	172,457	1,617,688	411,317	47,958	79,443	2,328,863	908,679	61,716	41,748	1,012,143	3,341,006
Travel	135,560	535,072	246,678	52,822	30,344	1,000,476	91,505	18,462	15,056	125,023	1,125,499
Supplies, Small Tools, and Equipment	8,717	42,549	11,405	1,029	2,479	66,179	394,948	147,505	33,248	575,701	641,880
Depreciation and Amortization	26,819	252,129	69,459	7,478	13,572	369,457	96,313	31,634	21,399	149,346	518,803
Professional Services	2,188	35,561	1,487	-	563	39,799	201,768	100,000	10,000	311,768	351,567
Conferences and Meetings	14,213	163,404	12,624	2,827	755	193,823	8,633	19,536	9,868	38,037	231,860
Miscellaneous Expenses	201	49,628	18,549	591	2,500	71,469	8,986	2,968	10,303	22,257	93,726
Telephones and Communications	-	1,249	1,635	-	792	3,676	80,106	1,197	749	82,052	85,728
Publications and Subscriptions	1,241	16,219	30,652	2,756	1,447	52,315	20,666	2,931	3,569	27,166	79,481
Staff Recruitment and Development	1,475	18,539	2,311	1,064	-	23,389	7,259	2,036	1,251	10,546	33,935
Marketing, Printing, Postage, and Copying	84	2,114	2,440	-	-	4,638	9,923	3,393	137	13,453	18,091
Bank Fees	4	545	15	-	-	564	12,149	-	1,732	13,881	14,445
Interest	-	-	-	-	-	-	644	-	-	644	644
Contribution and Return of Grant Funds	-	305	250	67	-	622	-	-	-	-	622
Insurance	-	21	-	-	-	21	-	-	-	-	21
Allocated Editorial, Events, and Communications	68,983	649,045	179,102	19,183	31,777	948,090	-	(948,090)	-	(948,090)	-
Total Functional Expenses	2,038,623	21,908,417	5,632,624	1,027,250	1,877,918	32,484,832	5,469,388	1,179,995	1,689,807	8,339,190	40,824,022
Allocated Management and General	183,888	1,478,657	543,404	120,075	178,284	2,504,308	(2,504,308)	-	-	(2,504,308)	-
Total Expenses After Management and General Allocation	\$ 2,222,511	\$ 23,387,074	\$ 6,176,028	\$ 1,147,325	\$ 2,056,202	\$ 34,989,140	\$ 2,965,080	\$ 1,179,995	\$ 1,689,807	\$ 5,834,882	\$ 40,824,022

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (4,110,869)	\$ 5,950,003
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization Expense	520,972	518,803
Gain on Disposal of Property and Equipment	-	(831)
Proceeds from Sale of Donated Stock	765,689	777,045
Net Appreciation in Fair Value of Investments	(314,302)	(507,555)
Bad Debt Expense	267	-
(Increase) Decrease in Assets:		
Contributions and Grants Receivable	1,918,135	(2,364,101)
Contracts/Fees for Service Receivables	(52,069)	(32,240)
Employee Retention Credit Receivable	(295,733)	(2,074,293)
Other Receivables	85,370	(197,884)
Prepaid Expenses	(48,772)	377
Right of Use Assets - Operating Leases	2,447,081	2,398,761
Deferred Compensation - Assets	(128,701)	(546,741)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	616,480	441,563
Deferred Revenue	(5,000)	(121,795)
Lease Liability - Operating Leases	(3,242,129)	(3,113,755)
Deferred Compensation - Liability	128,701	546,741
Net Cash (Used) Provided by Operating Activities	(1,714,880)	1,674,098
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(175,227)	(97,849)
Proceeds from Sale of Property and Equipment	-	1,000
Purchases of Investments	(36,362,821)	(27,342,605)
Proceeds from Maturity of Certificates of Deposits	-	253,860
Proceeds from Sale of Investments	34,978,782	17,198,795
Net Cash Used by Investing Activities	(1,559,266)	(9,986,799)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Finance Leases	(14,260)	(22,398)
Net Cash Used by Financing Activities	(14,260)	(22,398)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,288,406)	(8,335,099)
Cash and Cash Equivalents - Beginning of Year	18,044,451	26,379,550
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 14,756,045	\$ 18,044,451
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Equipment Received in Exchange for Finance Lease	\$ 24,044	\$ -

See accompanying Notes to Financial Statements.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

New America Foundation dba: New America (New America) is a nonprofit organization incorporated in the District of Columbia effective April 22, 1998. The objectives of the New America are to bring new voices and ideas into the U.S. public debate and to improve the quality and impact of national discourse on public policy. Through its programs, New America sponsors a wide range of research, published writings, conferences, and events on the most important issues of our time.

Programs

New America's programs and initiatives consist of the following:

Global Policy Programs

Future Security Initiative: Future Security Initiative is a collaboration between New America and Arizona State University that reconceptualizes U.S. security policy as a holistic engagement with current and future challenges including domestic terrorism, armed drones, climate change, pandemics, rising authoritarianism, and new and emerging technologies. FSI generates transformative ideas and solutions grounded in concrete, transdisciplinary efforts to improve human flourishing and well-being. Focus areas include tracking drone strikes, tracking terrorism in America post 9/11, and examining the future of proxy warfare.

Future Frontlines: Future Frontlines uses open source investigative tools, data mining techniques, and journalistic methods to explore how the digital revolution is reshaping global conflict, competition and influence. From satellite imagery to flight and shipping data to social media platforms, the program connects the dots to ferret out facts that might otherwise be hidden or even purposely obscured for strategic reasons. Using data that is publicly accessible, the program's aim is to discern connections, patterns and trends that explain how competition for attention and influence in cyberspace plays out online and in the real world.

Planetary Politics: The Planetary Politics initiative is a call to action for reimagining a more inclusive, equitable, and sustainable global order. It produces research, journalism, and policy briefs rooted in three values: power flows from adaptation; global governance must be inclusive; people and the planet are the priority. Projects include Digital Futures (mapping digital harms and developing principles digital governance globally), Power Reimagined (climate strategy), and a Fellowship program elevating new voices in the security field.

Domestic Policy Programs

Education Policy Program: The Education Policy program uses original research and policy analysis to help solve the nation's critical education problems, crafting objective analyses and suggesting new ideas for policymakers, educators, and the public at large.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs (Continued)

Domestic Policy Programs (Continued)

New America combines a steadfast concern for historically disadvantaged populations with a belief that better information about education can vastly improve both the policies that govern educational institutions and the quality of learning itself.

The Education Policy Program contains several sub-programs:

The **Early & Elementary Education Policy** team works to help ensure that all children have access to a system of high-quality early learning opportunities from birth through third grade that prepare them to succeed in school and in life.

The **PreK-12** initiative works to ensure that all children attending public elementary and secondary schools have access to and receive high-quality educational experiences, with a particular emphasis on improving equity and outcomes for traditionally underserved students. It also contains the sub-initiatives:

The **English Learners initiative** provides a policy-driven focus on language learners in the early childhood years through the PreK-12 education system. The initiative conduct research, develop recommendations, and disseminate new ideas to policymakers, practitioners, and the public to improve outcomes for English learners.

The **Education Funding Equity Initiative** conducts quantitative, qualitative, and geospatial analysis to understand and highlight the impact of current school funding policies and point the way toward more equitable approaches.

The **Higher Education** initiative works to make higher education more accessible, innovative, student-centered, outcomes-focused, and equitable.

The **Teaching, Learning, and Tech** project focuses on how educators and other professionals can use new media and technologies to promote more equitable systems of learning, from pre-K through 12th grade and into the post-secondary years.

The **Center on Education and Labor** is dedicated to restoring the link between education and economic mobility. The Center's work spans the policy domains of education, labor, and workforce development. The goal is to forge a more holistic approach to the challenges generated from technological change, an approach that recognizes the need to equip workers of the future with the knowledge, skills, and power necessary to fulfill the terms of our social contract. It also contains the sub-initiatives:

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs (Continued)

Domestic Policy Programs (Continued)

Future of Work and Innovation Economy Initiative. The Future of Work and Innovation Economy Initiative (FOWIE) is a research, storytelling, technical assistance, and policy incubator to ensure that the innovation economy creates family-sustaining jobs, reliable pathways into those jobs, and emerging technologies that make work better for all. FOWIE works with local higher education, labor, and workforce organizations to align policy and practice.

Partnership to Advance Youth Apprenticeship. The Partnership to Advance Youth Apprenticeship (PAYA) is a multi-year, collaborative initiative that supports states and cities in their efforts to expand access to high-quality apprenticeship opportunities for high school age youth. The Partnership convenes and mobilizes the expertise, experience, and collective networks of national, state, and regional partners.

Student Parent Initiative. The Student Parent Initiative team conducts research, policy analysis, and advocacy work in the student parent space. The initiative builds on New America's expertise in federal advocacy, coalition-building and work with higher education institutions and states to: raise awareness about student parents; bring new voices and practitioners into the field; connect research, data, and promising practices to advance policy solutions for student parents.

Community Colleges. The Community Colleges initiative is a research and convening initiative that synthesizes policy and practice for supporting equitable access, completion, and labor market advancement through the improvement of community colleges; advocates for the creation and implementation of state and federal policy that supports community colleges and their students; and facilitate learning and innovation to support the wide-scale adoption of strategies to address the most pressing challenges facing community college students and their institutions

Future of Land and Housing: The Future of Land and Housing Program at New America aims to help solve today's property rights challenges by shrinking the gulf between technologists and policymakers. Through our research, writing, and convening, we strive to bring these two constituents into the same room. Our goal is to act as a bridge, as a translator between the world of drones, artificial intelligence, and self-sovereign identity, and the world of politics, laws, and institutions.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs (Continued)

Domestic Policy Programs (Continued)

Political Reform Program: The Political Reform program seeks to develop new strategies and innovations to repair the dysfunction of government, restore trust, and rebuild the promise of American democracy by working towards an open, fair democratic process, with equitable opportunities for full participation, in order to restore dynamism and growth to the American economy and society. The program contains these initiatives:

The New Models of Policy Change Initiative works at the intersection of politics and international affairs to identify outdated policy paradigms and promote creative thinking about how policy change happens, who makes policy, and what US international policy can—or should—be.

Congressional Capacity Project: Working with the R Street Institute, we have established the Legislative Branch Capacity Working Group, directed by Lee Drutman and Kevin Kosar. This project creates an enduring, bipartisan space to assess the capacity of Congress to perform its constitutional duties and to collaborate on ideas for improving the legislative branch's performance in our separation of powers system.

The Co-Governance Project at New America is keeping track of these efforts and identifying the best innovations in democratic revitalization by engaging activists, city officials, residents, philanthropists, nonprofits, and businesses to see what kinds of institutions, organizations, and policies promote the genuine empowerment of communities.

Better Life Lab: The Better Life Lab is leading the national conversation about the evolution of gender roles and norms, family policy, and how we work and live. The program seeks to create a public environment that's hospitable to change, through powerful writing and informed debate about careers and families, their strengths and their needs

New America California: New America CA is focused on issues of racial and economic equity. We utilize human-centered research, storytelling, and convenings to elevate community members' voices, needs, and expertise. Centering the people most proximate to the issues, we accelerate action on equity innovations, helping shift systems so that all Californians—particularly those most marginalized—can thrive. New America CA concluded operations at New America as of December 31, 2024.

New America Chicago: We convene community leaders, thought leaders, and policymakers committed to finding practical solutions to community challenges, particularly those related to work, income, and inequity. Based at The Chicago Community Trust, our team connects people in underinvested communities to policymakers and those in power to inform policy. We work to make sure technological and social change work in the interest of all Chicagoans.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs (Continued)

Domestic Policy Programs (Continued)

New Practice Lab: The New Practice Lab performs a new form of public problem-solving, working at the intersection of ideas and on-the-ground experimentation to improve the design and delivery of policies focused on family economic security and wellbeing. The New Practice Lab focuses on policymaking that is people-centered, experimental, data-enabled, and designed to scale.

US@250: The Us@250 initiative (initially built in 2022 for public launch in 2023) provides a unifying framework for the semi quincentennial, hosts an annual fellowship, and organizes a network of organizations, programs, and individuals who exemplify and champion the spirit of initiative. The US@250 Fellowship provides funding, resources, and community for Americans who put the US@250 vision into practice: community leaders, creative artists, grassroots organizers, and cultural educators who aspire to tell a fuller, more comprehensive American story.

Technology Policy Programs

Open Technology Institute: The Open Technology Institute strengthens communities through grounded research, technological innovation, and policy reform. New America creates reform to support open-source innovations and foster open technologies and communications networks. Partnering with communities, researchers, industry and public interest groups, New America promotes affordable, universal, and ubiquitous communications networks. In 2024 the program contained one initiative:

The **Wireless Futures** project develops and advocates policy proposals to promote universal, affordable, and ubiquitous broadband and improve the public's access to critical wireless communication technologies.

Public Interest Technology Program: The Public Interest Technology program connects technologists to public interest organizations to improve services to vulnerable communities and strengthen local organizations that serve them. In 2024 the program focused primarily on one initiative:

PIT University Network (PIT-UN) mission is to help advance the field of public interest technology to bring positive impact to communities around the globe. We focus on the university ecosystem since this is where talent, skills, and ideas are born. Through our network, challenge, and content, we empower PIT students, faculty, and practitioners to achieve their goals. PIT-UN concluded operations at New America as of December 31, 2024.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Programs (Continued)

Technology Policy Programs (Continued)

Future Tense: Future Tense is a partnership between New America and Arizona State University to explore emerging technologies and their transformative effects on society and public policy. Central to the partnership is a series of events that take in-depth, provocative looks at issues that, while little understood today, will dramatically reshape the policy debates of the coming decade.

Digital Impact and Governance Initiative: The Digital Impact and Governance Initiative (DIGI) develops technology platforms that transform the way institutions deliver value for citizens. The program works with partners in government and the private sector to create modular, interoperable technology solutions built on open-source code that address key challenges facing the public sector. These platforms provide “80 percent” solutions, with governments able to customize the last 20 percent of each platform to meet their specific needs.

#ShareTheMicInCyber: The #ShareTheMicInCyber Fellowship, hosted in partnership between #ShareTheMicInCyber and New America, is focused on providing a platform for under-represented mid-career cybersecurity professionals or those transitioning into the cyber field, and presenting opportunities for professional development to further their careers in the field.

Fellows Program

New America Fellows: The New America National Fellows Program invests in thinkers, journalists, scholars, filmmakers, and public policy analysts—who generate big, bold ideas that have an impact and spark new conversations about the most pressing issues of our day.

Income Taxes

New America is a 501(c)(3) organization, exempt from federal income tax under Section 501(a) of the Internal Revenue Code (IRC). New America is, however, subject to tax on business income unrelated to its exempt purpose.

New America believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

Basis of Accounting

New America prepares its financial statements using the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned and expenses and related liabilities are recognized when the obligation is incurred.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of reporting in the statement of cash flows, New America considers all highly liquid funds, including money market funds, mutual funds categorized as cash held in the investment portfolio, and savings funds with an original maturity of three months or less, to be cash equivalents.

Receivables

Receivables are stated at net realizable value. New America establishes an allowance for credit losses to present the net amount of receivables expected to be collected. The adequacy of New America's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance, as necessary. Management determined that no allowance for credit losses was necessary at December 31, 2024 and 2023.

Additionally, a discount rate is applied to contributions and grants receivable to be received in greater than one year. See Note 3 for further information.

Investments

Investments in U.S. Treasury bills are recorded at estimated fair value, based on quoted market prices provided by the investment managers.

Realized and unrealized holding gains and losses are included as investment income in the statement of activities. Purchases and sales of securities are recorded on a trade-date basis. Net investment income is reported as an increase in net assets without donor restriction, unless restricted by donor or law.

Certificate of Deposit

The certificate of deposit collateralizes the letter of credit for the security deposit on office lease space (Note 9). The certificate of deposit is recorded at amortized cost and classified as non-current on the statements of financial position. In accordance with the lease agreement, the letter of credit/security deposit was reduced to \$250,000 in October 2022 and automatically renews annually through February 2032.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Financial assets valued using Level 1 inputs are based on unadjusted market prices within active markets.

The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value of investments have been provided by New America's investment managers and custodian banks, who use a variety of pricing sources to determine market valuations, including indexes for each sector of the market.

Marketable securities are exposed to various risks such as interest rates, market, and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investments will occur in the near term and those changes could materially affect the amounts reported in the statement of financial position.

Property and Equipment

Property and equipment with a useful life greater than one year and valued in excess of \$1,000 for individual items and \$5,000 for bulk purchases is capitalized and recorded at cost, if purchased, and estimated fair value, if donated. Leasehold improvements are capitalized at cost and amortized over the lesser of the remaining life of the lease or the life of the asset. Depreciation on property and equipment is recorded using the straight-line method over the estimated useful lives of the property and equipment, ranging between three and seven years.

Net Assets

Net assets and revenue are classified based on the existence or absence of donor-imposed restrictions and reported as follows:

Net Assets Without Donor Restrictions – Represents funds available for general operations. A portion of net assets without donor restrictions have been designated by New America's board of directors. Total amount designated for operating reserves by New America's board of directors was \$1,000,000 as of December 31, 2024 and 2023.

Net Assets With Donor Restrictions – Represent funds specifically restricted by donors for time and/or purpose.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign Currency Transactions

New America records transactions denominated in a foreign currency at the United States dollar equivalent as of the date of the transaction. Any resulting foreign currency gain or loss is recorded in the accompanying statements of activities as gain or loss on foreign currency exchange as applicable.

Revenue Recognition

Revenue is recognized when earned. New America recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions and grants received without donor restrictions and with donor restrictions are recorded as revenue in the year notification is received from the donor. New America reports contributions and grants with donor restrictions if they are received with donor stipulations, such as time restrictions or restrictions as to the nature of the program that limit the use of the contributions. When a donor restriction expires (i.e., when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

A portion of New America's revenue is derived from cost-reimbursable grants and contracts. Amounts received are recognized as earned and are reported as revenue when New America has incurred expenditures in compliance with specific contract or grant provisions. Amounts received but not yet earned are reported as a refundable advance in the statements of financial position. There were no amounts received but not yet earned as of December 31, 2024 and 2023.

Contracts/fees for service revenue is invoiced when the performance obligation has been met. All revenue is recognized over time as the services are provided or at a point in time with the completion of the deliverable.

Contributed services and materials are included in the statements of activities and change in net assets at their estimated fair market value on the date of donation.

Rental income is recorded monthly, as earned.

Grant Expenses

New America recognizes grant expenses when the board approves the unconditional promise to give. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are recognized when the conditions on which they depend have been met. New America had \$331,972 in conditional grants awarded to grantees for which the conditions had not been met as of December 31, 2024.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expense Allocations

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on direct costs or by management estimation for shared costs which are based on salaries.

Liquidity and Availability

New America's financial assets available within one year of the statements of financial position date are as follows:

	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 14,756,045	\$ 18,044,451
Contributions and Grants Receivable	17,858,793	20,545,102
Contracts/Fees for Services Receivable	153,776	101,707
Employee Retention Credit Receivable	2,370,026	-
Other Receivable	206,555	292,192
Investments	<u>24,432,074</u>	<u>22,731,276</u>
Total	59,777,269	61,714,728
Less: Board Designated	1,000,000	1,000,000
Less: Net Assets with Donor Restrictions	<u>37,246,960</u>	<u>43,754,414</u>
Financial Assets Available to Meet Cash Needs for General Expenditures within the One Year	<u>\$ 21,530,309</u>	<u>\$ 16,960,314</u>

Leases

New America leases office space and equipment. New America determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right of use assets – financing and lease liability – financing in the balance sheet.

ROU assets represent New America's right to use an underlying asset for the lease term and lease liabilities represent New America's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that New America will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. New America has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statements of financial position.

NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

As most of leases do not provide an implicit rate, New America uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives.

New America has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Reclassifications

Certain reclassifications have been made to the 2023 financial statements herein to conform to the 2025 presentation. These reclassifications had no effect on the total net assets or total change in net assets for 2023.

Subsequent Events

In preparing these financial statements, New America has evaluated events and transactions for potential recognition or disclosure through October 6, 2025, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further recognition or disclosure.

NOTE 2 CONCENTRATIONS OF RISK

Cash and Cash Equivalents

Financial instruments, which potentially subject New America to concentration of credit risk, include cash and cash equivalents. New America's cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The uninsured balance of cash and cash equivalents at December 31, 2024 is approximately \$13,019,000. New America believes it is not exposed to any significant credit-risk on cash.

Revenue Concentration

New America received 33% and 30% of its total revenue from one donor for the year ended December 31, 2024 and two donors for the year ended December 31, 2023, respectively.

NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 CONTRIBUTION AND GRANT RECEIVABLES

Contribution and Grant Receivables consisted of the following at December 31:

	2024	2023
Contribution and Grant Receivable Due:		
Within One Year	\$ 13,459,852	\$ 15,089,358
Within One to Five Years	4,854,733	6,045,618
Total	18,314,585	21,134,976
Less: Present Value Discount	(455,792)	(589,874)
Contributions and Grants Receivable, Net	17,858,793	20,545,102
Less: Allowance	-	-
Total Receivables, Net of Allowance and Discount	\$ 17,858,793	\$ 20,545,102

The discount rate used in the noncurrent contributions and grants receivable discount calculation was 4.25% and 8.50% for December 31, 2024 and 2023, respectively.

NOTE 4 FAIR VALUE MEASUREMENT

The following table presents the New America's fair value hierarchy for investments and certificates of deposit measured on a recurring basis as of December 31:

	2024			
	Level 1	Level 2	Level 3	Total
Investments - U.S. Treasury Bill	\$ 24,432,074	\$ -	\$ -	\$ 24,432,074
Deferred Compensation - Mutual Funds	675,442	-	-	675,442
Total	\$ 25,107,516	\$ -	\$ -	\$ 25,107,516

	2023			
	Level 1	Level 2	Level 3	Total
Investments - U.S. Treasury Bill	\$ 22,731,276	\$ -	\$ -	\$ 22,731,276
Deferred Compensation - Mutual Funds	546,741	-	-	546,741
Total	\$ 22,731,276	\$ -	\$ -	\$ 23,278,017

* Bank certificates of deposit that collateralizes the letter of credit for the security deposit on lease space (Note 8) are recorded at amortized cost and accordingly are excluded from the tables above.

Investments are reported at fair value as of year-end. New America invests in a professionally managed portfolio that contains various types of funds. Such investments are exposed to various financial risks, including market and credit risks.

Interest income for the years ended December 31, 2024 and 2023, was \$925,462 and \$271,161, respectively. Net appreciation for the years ended December 31, 2024 and 2023, was \$314,302 and \$507,555, respectively.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Furniture and Equipment	\$ 741,431	\$ 812,897
Leasehold Improvements	6,899,472	7,043,711
Construction in Process	91,000	-
Subtotal	<u>7,731,903</u>	<u>7,856,608</u>
Less: Accumulated Depreciation and Amortization	<u>(4,627,282)</u>	<u>(4,420,640)</u>
Property and Equipment, Net	<u><u>\$ 3,104,621</u></u>	<u><u>\$ 3,435,968</u></u>

Depreciation and amortization expense on property and equipment totaled \$506,574 and \$497,280 for the years ended December 31, 2024 and 2023, respectively.

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
Net Assets With Donor Restrictions - Purpose:		
Fellows Program	\$ 257,942	\$ 337,670
Domestic Policy Programs	25,880,751	27,949,723
Economic/Fiscal Policy Programs	16,647	16,647
Global Policy Programs	2,206,687	4,286,514
Technology Policy Programs	2,928,313	6,791,734
Other Programs	196,234	1,494,121
Total Net Assets With Donor Restrictions - Purpose	<u>31,486,574</u>	<u>40,876,409</u>
Net Assets With Donor Restrictions - Time:		
Domestic Policy Programs - Time Restricted	-	1,075,000
Management, General, and Administrative	5,760,386	1,803,005
Total Net Assets With Donor Restrictions - Time	<u>5,760,386</u>	<u>2,878,005</u>
Total	<u><u>\$ 37,246,960</u></u>	<u><u>\$ 43,754,414</u></u>

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 7 NET ASSETS RELEASED FROM DONOR RESTRICTIONS

The following net assets with donor restriction were released from donor restrictions by incurring expenses (or through passage of time) which satisfied the restricted purposes specified by the donors:

	2024	2023
Purpose and Time Restrictions Accomplished:		
Fellows Program	\$ 685,578	\$ 972,897
Domestic Policy Programs	18,759,053	20,746,151
Global Policy Programs	2,540,554	2,171,955
Technology Policy Programs	5,970,589	5,379,521
Management, General, and Administrative	1,803,000	2,048,483
Other Programs	2,087,350	1,853,471
Total	\$ 31,846,124	\$ 33,172,478

NOTE 8 RETIREMENT PLANS

Defined Contribution Retirement Plan

New America established a 403(b) retirement plan covering all eligible employees. In 2019, the plan was amended to add a match of up to 3% of employee elective deferrals and the employer contribution was changed to 7% of the employees' compensation after one year of service. For employees hired January 1, 2019 onward, there is a vesting requirement as follows:

- Less than one year – 0%
- 1 year to 2 years – 50%
- 2 years to 3 years – 75%
- 3 years or more – 100%

New America expensed \$1,635,416 and \$1,387,395 related to the retirement plan contributions for the years ended December 31, 2024 and 2023, respectively.

Deferred Compensation Plan

New America also maintains an unfunded deferred compensation plan under IRC Section 457(b) for certain eligible executives. The corresponding asset and liability are separately shown as non-current in the accompanying statements of financial position, representing New America's obligation to pay deferred compensation upon termination of employment or retirement. The asset consists of investments which are primarily of mutual funds. The total liability accrued for the deferred compensation plan was \$675,442 and \$546,741 at December 31, 2024 and 2023, respectively.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 9 LEASES

Operating and Finance Leases

New America leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2031. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements generally require New America to pay real estate taxes, insurance, and repairs.

Operating and Finance Leases (Continued)

The following tables provide quantitative information concerning the Company's leases for the year ended December 31:

	2024	2023
Lease Costs:		
Finance Lease Costs:		
Amortization of Right-of-Use Assets	\$ 14,398	\$ 21,523
Interest on Lease Liabilities	1,400	642
Operating Lease Costs	2,849,896	2,849,896
Total Lease Costs	\$ 2,865,694	\$ 2,872,061
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Finance Leases	\$ 1,400	\$ 642
Operating Cash Flows from Operating Leases	3,644,943	3,564,889
Financing Cash Flows From Finance Leases	14,260	22,398
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	24,044	-
Weighted-Average Remaining Lease Term - Financing Leases	1.3 Years	0.3 Years
Weighted-Average Remaining Lease Term - Operating Leases	6.6 Years	7.6 Years
Weighted-Average Discount Rate - Financing Leases	8.50 %	3.25 %
Weighted-Average Discount Rate - Operating Leases	1.52 %	1.52 %

NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 9 LEASES (CONTINUED)

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2024, is as follows:

<u>Year Ending December 31,</u>	<u>Operating</u>	<u>Finance</u>	<u>Total</u>
2025	\$ 3,732,502	\$ 13,200	\$ 3,745,702
2026	3,843,056	3,300	3,846,356
2027	3,929,461	-	3,929,461
2028	4,018,078	-	4,018,078
2029	4,108,427	-	4,108,427
Thereafter	6,696,698	-	6,696,698
Undiscounted Cash Flows	26,328,222	16,500	26,344,722
Less: Imputed Interest	(1,289,451)	(1,002)	(1,290,453)
Total Present Value	<u>\$ 25,038,771</u>	<u>\$ 15,498</u>	<u>\$ 25,054,269</u>
Short-Term Lease Liabilities	\$ (3,380,001)	\$ (12,267)	\$ (3,392,268)
Long-Term Lease Liabilities	<u>(21,658,770)</u>	<u>(3,231)</u>	<u>(21,662,001)</u>
Total	<u>\$ (25,038,771)</u>	<u>\$ (15,498)</u>	<u>\$ (25,054,269)</u>

Subleases

New America entered into several month-to-month partners in residence sublease agreements, as well as one year-long agreement. Sublease income for the years ended December 31, 2024 and 2023, was \$201,000 and \$140,250, respectively.

NOTE 10 CONDITIONAL CONTRIBUTIONS AND GRANTS

Federal Awards and Contracts

New America earns a substantial portion of its revenues through awards with various federal agencies, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses and all of which may be subject to audit. Amounts received are recognized as revenue when New America has incurred expenditures in compliance with specific grant provisions. Until such audits have been completed and final settlement reached, there exists a potential to refund any amounts received in excess of allowable costs. Management is not aware of any liability as a result of these audits. New America received cost-reimbursable grants of which \$646,315 has not been recognized as of December 31, 2024, because qualifying expenditures have not yet been incurred.

Nonfederal Awards

New America had \$2,219,800 in conditional grants and contributions for which the conditions had not been met as of December 31, 2024.

**NEW AMERICA FOUNDATION DBA: NEW AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 11 CONTRACT ASSETS AND LIABILITIES

The beginning and ending contract balances as of December 31 were as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contracts/Fees for Services Receivable	<u>\$ 153,776</u>	<u>\$ 101,707</u>	<u>\$ 69,467</u>
Deferred Revenue	<u>\$ -</u>	<u>\$ 16,667</u>	<u>\$ 138,462</u>

NOTE 12 CONTRIBUTED SERVICES AND MATERIALS

Contributed services and materials for the year ended December 31, 2024 consisted of the following:

	<u>Revenue Recognized</u>	<u>Utilization in Programs/ Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Cost Share (Services)	\$ 13,160	Domestic Policy Programs	No Associated Donor Restrictions	Donated Services are Valued at the Estimated Fair Value Based on Current Rates for Similar Services
Donated Computers	\$ 30,940	Technology Policy Programs	No Associated Donor Restrictions	Donated Computers are Valued at the Estimated Fair Value
Total	<u>\$ 44,100</u>			

There were no contributed services and materials for the year ended December 31, 2023.

NOTE 13 RELATED PARTIES

Members of the board of directors made contributions of \$2,945,179 and \$3,344,807 for 2024 and 2023, respectively. Total amount outstanding as of December 31, 2024 and 2023 was \$253,060 and \$602,500, respectively. In 2023, New America entered into a consulting agreement with a board member to serve as an independent contractor for New America, with payment not to exceed \$60,000, which applies in 2024 as well.

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NOTE 14 EMPLOYEE RETENTION CREDIT

The employee retention tax credit (ERTC), also known as the employee retention credit (ERC), is a refundable credit available to eligible businesses that paid qualified wages after March 12, 2020, through the end of the program to keep their staffs employed during the height of the COVID-19 pandemic. New America determined they were eligible and applied for the ERC funding from the IRS. In accordance with FASB ASC 958-605 *Not-for-Profit Revenue – Grants and Contributions*, New America recognized this in 2023 as employee retention credit revenue in the amount of \$2,074,293 on the statement of activities and as employee retention credit receivable on the statement of financial position.

In 2024, \$295,733 of interest was accrued on the balance of the ERC, and is reflected in interest income on the statement of activities and as an increase in the ERC receivable on the statement of financial position.

Subsequent to 2024 year end, the total balance of the ERC was received.



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