

GEORGIA PUBLIC POLICY FOUNDATION, INC.

Financial Statements
and
Independent Auditors' Report

For the Years Ended December 31, 2024 and 2023

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
NOTES TO FINANCIAL STATEMENTS	7-13

INDEPENDENT AUDITORS' REPORT

Board of Directors
Georgia Public Policy Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Georgia Public Policy Foundation, Inc. (“the Foundation”), 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 Financial Statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation, as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Basis for Opinion

We conducted our audit 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 Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 Foundation’s ability to continue as a going concern for one year after the date that the financial statements are 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 Foundation'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 Foundation'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 audits.

Report on Summarized Information

In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Alpharetta, Georgia
November 6, 2025

GEORGIA PUBLIC POLICY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2024 and 2023

	2024	2023
Current Assets		
Cash and cash equivalents	\$ 192,177	\$ 431,386
Pledges receivable	121,600	374,000
Prepaid expenses	5,354	17,399
Investments	2,870	11,291
Total Current Assets	322,001	834,076
Long-Term Assets		
Property and equipment, net	3,630	5,163
Security deposits	4,312	4,312
Operating lease right-of-use asset, net	131,723	169,107
Total Long-Term Assets	139,665	178,582
TOTAL ASSETS	\$ 461,666	\$ 1,012,658
Current Liabilities		
Accounts payable and accrued expenses	\$ 50,330	\$ 7,322
Operating lease liability, current	35,479	32,166
Total Current Liabilities	85,809	39,488
Long-Term Liabilities		
Operating lease liability, net of current portion	104,341	138,053
Total Long-Term Liabilities	104,341	138,053
Total Liabilities	190,150	177,541
Net Assets		
Net assets without donor restrictions	36,230	217,523
Net assets with donor restrictions	235,286	617,594
Total Net Assets	271,516	835,117
TOTAL LIABILITIES AND NET ASSETS	\$ 461,666	\$ 1,012,658

These financial statements should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

GEORGIA PUBLIC POLICY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2024 and 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2024 Total	2023 Total
Revenue				
Contributions	\$ 729,484	\$ 363,500	\$ 1,092,984	\$ 1,493,169
Special events	-	-	-	25,200
In-kind donations	-	-	-	400
Investment and other income	10,799	-	10,799	2,719
Net assets released from restrictions	745,808	(745,808)	-	-
Total Revenue	1,486,091	(382,308)	1,103,783	1,521,488
Expenses				
Education and research	1,225,631	-	1,225,631	981,903
Fundraising	273,440	-	273,440	240,961
General and administrative	168,313	-	168,313	164,364
Total Expenses	1,667,384	-	1,667,384	1,387,228
Change in Net Assets	(181,293)	(382,308)	(563,601)	134,260
Net Assets – Beginning of Year	217,523	617,594	835,117	700,857
Net Assets – End of Year	\$ 36,230	\$ 235,286	\$ 271,516	\$ 835,117

These financial statements should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

GEORGIA PUBLIC POLICY FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended December 31, 2024 and 2023

	Education and Research	Fundraising	General and Administrative	2024 Total	2023 Total
Functional Expenses					
Bank fees	\$ 28,094	\$ 11,041	\$ 5,028	\$ 44,163	\$ 3,294
Computer software	-	-	-	-	12,064
Professional services	166,702	2,165	47,629	216,496	257,085
Insurance	1,778	593	749	3,120	60,480
Event	125,955	-	-	125,955	70,321
Rent and utilities	40,653	5,082	5,082	50,817	51,775
Office supplies	-	-	2,170	2,170	5,424
Postage and printing	39,119	1,029	1,030	41,178	27,938
Dues and memberships	2,148	859	1,290	4,297	6,294
Travel	-	-	-	-	37,815
Depreciation	-	-	1,533	1,533	1,433
Salaries and benefits	602,095	231,575	92,630	926,300	778,756
Payroll taxes	42,372	16,296	6,519	65,187	57,800
Repairs and maintenance	-	-	-	-	2,942
Miscellaneous	-	150	-	150	487
Advertising	176,715	4,650	4,653	186,018	13,320
Total Functional Expenses	\$ 1,225,631	\$ 273,440	\$ 168,313	\$ 1,667,384	\$ 1,387,228
Percentage of Total Functional Expenses	73.51%	16.40%	10.09%	100%	100%

These financial statements should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

GEORGIA PUBLIC POLICY FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows From Operating Activities		
Change in net assets	\$ (563,601)	\$ 134,260
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	1,533	1,433
Investment loss (gain)	8,421	(8,546)
(Increase) decrease in assets:		
Pledges receivable	252,400	(151,815)
Prepaid expenses	12,045	(9,806)
Operating lease right-of-use asset and liability, net	6,985	2,886
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	43,008	(12,976)
Net Cash Used In Operating Activities	(239,209)	(44,564)
Cash Flows From Investing Activities		
Purchases of property and equipment	-	(1,505)
Net Cash Used In Investing Activities	-	(1,505)
Net Decrease in Cash and Cash Equivalents	(239,209)	(46,069)
Cash and Cash Equivalents - Beginning of Year	431,386	477,455
Cash and Cash Equivalents - End of Year	\$ 192,177	\$ 431,386

These financial statements should be read only in connection with the accompanying independent auditors' report and notes to financial statements.

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 – DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

Georgia Public Policy Foundation, Inc., (“the Foundation”) is an independent, nonpartisan, public policy research group committed to furthering the goals of economic growth and individual opportunity. The Foundation seeks to generate new ideas based on the principles of free enterprise, limited government, and individual liberty by providing a forum for the exchange of ideas and a laboratory for the development of these ideas into practical public policy.

Basis of Presentation

The Foundation prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

Net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Accordingly, the net assets of the Foundation and changes therein are classified as follows:

Net assets without donor restrictions - represents net assets that are not restricted by donor imposed stipulations and are available for support of operations and other expenditures.

Net assets with donor restrictions - represents net assets whose use by the Foundation is subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. Other donor restrictions are perpetual in nature that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For purpose of the Statements of Cash Flows, the Foundation considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents. The Foundation maintains cash deposits in a bank deposit account that are within the limit insured by the Federal Deposit Insurance Corporation.

Use of Estimates

The preparation of financial statements in conformity with GAAP includes the use of estimates that may affect the financial statements. Accordingly, actual results could differ from those estimates.

Contributions

The Foundation recognizes revenues in accordance with Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides a framework for evaluating whether the transfer of assets constitutes a contribution or an exchange transaction. Contributions received are recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When restrictions expire (that is, when a stipulated time restriction ends or 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.

Pledges Receivable

Pledges receivable at December 31, 2024, totaled \$121,600, expected to be collected in 2025. The Foundation has determined that all amounts recorded as pledges receivable are collectible; accordingly, no allowance for doubtful accounts has been established.

In-kind Donations

In the accompanying financial statements, donated services are reflected as in-kind donations at their estimated fair values on the date of receipt.

(Continued)

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-320, *Not-for-Profit Entities – Investments – Debt & Equity Securities*, investments in marketable securities with readily determinable market values are reported at their market values in the Statements of Financial Position. Unrealized gains and losses are included in the Statements of Activities as changes in net assets without donor restrictions. Investment income and gains are reported in the Statements of Activities as increases in net assets without donor restrictions in the reporting period in which the income and gains are recognized.

Income Taxes

The Foundation qualifies as a tax-exempt organization as described in Internal Revenue Code Section 501(c)(3). The Foundation only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the Foundation operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the Foundation’s financial condition, results of activities or cash flows. Accordingly, the Foundation has not recorded any reserves, or related accruals for interest and penalties, for uncertain income tax positions at December 31, 2024.

The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Foundation believes it is no longer subject to income tax examinations for fiscal years prior to December 31, 2021.

Advertising

The Foundation advertises its activities in media and other local publications. Advertising expenses totaled \$186,018 and \$13,320 for the years ended December 31, 2024 and 2023, respectively.

(Continued)

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the Statements of Functional Expenses. Accordingly, certain expenses have been allocated among the programs and supporting services receiving benefit. The allocation has been made based on management's best estimate of the actual resources used in those areas, based on time and effort.

Subsequent Events

Management has evaluated events and transactions that occurred between December 31, 2024, and the date of the audit report, which is the date the financial statements were available to be issued for possible recognition or disclosure in the financial statements. No events have occurred that require disclosure within these notes.

Fair Value of Financial Instruments

The book values of pledges receivable, accounts payable, and other financial instruments approximate the fair values, principally because of the short-term maturities of these instruments.

Property and Equipment

Property and equipment assets are recorded at cost. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated lives principally using straight-line methods. The estimated useful lives of the various classes of assets are as follows:

<u>Classification</u>	<u>Estimated Lives</u>
Furniture	5 years
Computers and equipment	5 years

Commitments

The Foundation may receive grants which require the fulfillment of certain conditions as set forth in the instrument of the grant. The failure to fulfill the conditions could result in the return of the funds to the grantors. Although the return of funds is a possibility, the Board of Directors deems the contingency unlikely, since upon accepting the grants, the Foundation has agreed to comply with the provisions thereof.

(Continued)

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations of Credit Risk

The Foundation depends heavily on contributions and grants for its support and revenue. The ability of certain contributors and grantors to continue giving amounts comparable with prior years may be dependent upon current and future overall economic conditions. While the Board of Directors believes the Foundation has the resources to continue its programs, its ability to do so and the extent to which it continues may be dependent on the above factors.

NOTE 3 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following various purposes and time periods as of December 31:

	2024	2023
Housing policy reform	\$ 70,000	\$ 33,365
Healthcare provider expansion	25,000	-
Education and research	77,518	353,845
Direct mail and digital fundraising	-	25,000
Property tax reform	-	20,000
Executive position hiring	62,768	185,384
Total net assets with donor restrictions	\$ 235,286	\$ 617,594

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 4 – OPERATING LEASE

The Foundation accounts for leases under ASC 842, *leases*, which establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use asset based on the present value of the remaining lease payments. It can be either a financing lease or an operating lease, based on whether the arrangement is effectively a purchase or the underlying assets. Leases that transfer control of the underlying asset to a lessee are classified as finance leases; lessees will classify all other leases as operating leases.

The Foundation leases office space under a long-term non-cancelable operating lease agreement, which was scheduled to expire in December 2023, and was amended in April 2023 to extend the lease for a period of 65 months. This extension included an allowance of approximately \$28,000 to be used by December 31, 2022, which was controlled by the landlord. The Foundation includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The operating lease provides for various increases and decreases in future minimum annual rental payments, from \$1,666 in January 2024 to \$3,862 in May 2028.

The Foundation has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. A risk-free rate of 1.4% was utilized at the date of implementation on January 1, 2022. The Foundation has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

Future minimum lease payments are as follows:

Years ending December 31	Amount
2025	\$ 37,212
2026	43,789
2027	45,101
2028	15,448
Less: Imputed interest	(1,730)
Total lease liabilities	\$ 139,820

GEORGIA PUBLIC POLICY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 5 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Foundation is substantially supported by contributions with and without donor restrictions. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to donors. Therefore, certain financial assets may not be available for general expenditures within one year. The Foundation’s liquidity management is designed to ensure financial assets are available as its general expenditures and other liabilities come due.

The following represents the financial assets available to meet cash needs within one year as of December 31:

	2024	2023
Cash and cash equivalents	\$ 192,177	\$ 431,386
Pledges receivable	121,600	374,000
Investments	2,870	11,291
Total liquid assets	316,547	816,677
Net assets with donor restrictions	(235,286)	(617,594)
Financial assets available to meet cash needs within one year	\$ 81,261	\$ 199,083

NOTE 6 – RETIREMENT PLAN

Effective January 1, 2021, the Foundation has a 401(k) Plan (“the Plan”) that covers substantially all employees who have reached age 21 and completed at least six months of service. Each year, participants may contribute amounts up to the maximum IRS allowable amount in the form of pre-tax or post-tax ROTH contributions. Under the Plan, the Foundation will contribute 3% of compensation to all eligible active participants. In addition to Safe Harbor Non-elective Contributions, the Foundation has the option to make a profit-sharing contribution. All participants are 100% vested in both employer contributions. The Foundation contributed \$23,498 and \$17,070 to the Plan for the years ended December 31, 2024 and 2023, respectively.

These notes should be read only in connection with the
accompanying financial statements and independent auditors' report.