



FINANCIAL STATEMENTS

December 31, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
National Communication Association
Washington, DC

Opinion

We have audited the financial statements of National Communication Association, which comprise the statements of financial position as of December 31, 2023 and 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of National Communication Association as of December 31, 2023 and 2022, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Communication Association 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 National Communication Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 National Communication Association'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 National Communication Association'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.



Wegner CPAs, LLP
Alexandria, Virginia
May 1, 2024

NATIONAL COMMUNICATION ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

	2023	2022
ASSETS		
Cash	\$ 211,435	\$ 769,199
Accounts receivable	72,652	117,620
Prepaid expenses	80,017	97,271
Investments	7,389,923	7,207,858
Property and equipment, net	1,207,680	1,187,592
Total assets	\$ 8,961,707	\$ 9,379,540
LIABILITIES		
Accounts payable	\$ 260,000	\$ 264,934
Accrued expenses	69,583	5,223
Accrued payroll and related liabilities	23,936	2,750
Deferred revenue	240,882	272,271
Total liabilities	594,401	545,178
NET ASSETS		
Without donor restrictions	7,418,522	7,955,541
With donor restrictions	948,784	878,821
Total net assets	8,367,306	8,834,362
Total liabilities and net assets	\$ 8,961,707	\$ 9,379,540

See accompanying notes.

NATIONAL COMMUNICATION ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES			
Program service revenue			
Convention revenue	\$ 877,656	\$ -	\$ 877,656
Royalties	857,912	-	857,912
Membership dues	699,932	-	699,932
Student organization	189,748	-	189,748
Editor stipends	158,397	-	158,397
Job placement and ad revenue	135,082	-	135,082
Subscription & publication sales	7,200	-	7,200
	<u>2,925,927</u>	<u>-</u>	<u>2,925,927</u>
Other revenue			
Contributions	3,000	25,000	28,000
Net investment return	748,076	58,989	807,065
Miscellaneous income	10,475	-	10,475
	<u>761,551</u>	<u>83,989</u>	<u>845,540</u>
Net assets released from restrictions			
Satisfaction of purpose restrictions	14,026	(14,026)	-
	<u>14,026</u>	<u>(14,026)</u>	<u>-</u>
Total revenues	3,701,504	69,963	3,771,467
EXPENSES			
Program services			
External Affairs and Publications	741,592	-	741,592
Academic and Professional Resources	1,062,585	-	1,062,585
Convention	1,230,830	-	1,230,830
	<u>3,035,007</u>	<u>-</u>	<u>3,035,007</u>
Supporting activities			
Management and General	655,313	-	655,313
Executive Office	548,203	-	548,203
	<u>1,203,516</u>	<u>-</u>	<u>1,203,516</u>
Total expenses	4,238,523	-	4,238,523
Change in net assets	(537,019)	69,963	(467,056)
Net assets at beginning of year	7,955,541	878,821	8,834,362
Net assets at end of year	<u>\$ 7,418,522</u>	<u>\$ 948,784</u>	<u>\$ 8,367,306</u>

See accompanying notes.

NATIONAL COMMUNICATION ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Program service revenue			
Convention revenue	\$ 872,038	\$ -	\$ 872,038
Royalties	914,451	-	914,451
Membership dues	735,320	-	735,320
Student organization	195,092	-	195,092
Editor stipends	154,534	-	154,534
Job placement and ad revenue	174,370	-	174,370
Subscription & publication sales	9,499	-	9,499
Public engagement	801	-	801
	<u>3,056,105</u>	<u>-</u>	<u>3,056,105</u>
Total program service revenue	3,056,105	-	3,056,105
Other revenue			
Contributions	3,800	-	3,800
Net investment return	(1,135,759)	50,534	(1,085,225)
Miscellaneous income	429,136	-	429,136
	<u>(702,823)</u>	<u>50,534</u>	<u>(652,289)</u>
Total other revenue	(702,823)	50,534	(652,289)
Net assets released from restrictions			
Satisfaction of purpose restrictions	19,145	(19,145)	-
	<u>19,145</u>	<u>(19,145)</u>	<u>-</u>
Total revenues	2,372,427	31,389	2,403,816
EXPENSES			
Program services			
External Affairs and Publications	809,017	-	809,017
Academic and Professional Resources	940,646	-	940,646
Convention	1,067,903	-	1,067,903
	<u>2,817,566</u>	<u>-</u>	<u>2,817,566</u>
Total program services	2,817,566	-	2,817,566
Supporting activities			
Management and General	535,925	-	535,925
Executive Office	305,744	-	305,744
	<u>841,669</u>	<u>-</u>	<u>841,669</u>
Total supporting activities	841,669	-	841,669
Total expenses	3,659,235	-	3,659,235
Change in net assets	(1,286,808)	31,389	(1,255,419)
Net assets at beginning of year	9,242,349	847,432	10,089,781
Net assets at end of year	<u>\$ 7,955,541</u>	<u>\$ 878,821</u>	<u>\$ 8,834,362</u>

See accompanying notes.

NATIONAL COMMUNICATION ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023

	Program Services				Supporting Activities			Total Expenses
	External Affairs and Publications	Academic and Professional Resources	Convention	Total Program Services	Management and General	Executive Office	Total Supporting Activities	
Salaries and wages	\$ 227,563	\$ 387,743	\$ 229,239	\$ 844,545	\$ 151,609	\$ 140,367	\$ 291,976	\$ 1,136,521
Employee benefits	67,214	86,373	51,065	204,652	30,762	31,268	62,030	266,682
Payroll taxes	18,620	29,947	17,705	66,272	10,666	10,841	21,507	87,779
Total personnel	313,397	504,063	298,009	1,115,469	193,037	182,476	375,513	1,490,982
Professional services	61,092	51,916	335,559	448,567	388,461	77,102	465,563	914,130
Travel and meetings	-	26,230	43,739	69,969	1,367	163,651	165,018	234,987
Grants and sponsorships	-	140,400	-	140,400	-	1,500	1,500	141,900
Audio and visual	-	-	221,692	221,692	-	-	-	221,692
Information technology	39,625	63,815	101,102	204,542	22,698	23,281	45,979	250,521
Editor stipends	184,000	-	-	184,000	-	-	-	184,000
Dues and subscriptions	73,978	20,382	10,974	105,334	6,611	37,645	44,256	149,590
Depreciation	18,536	29,813	17,626	65,975	10,618	10,793	21,411	87,386
Office expenses	5,211	8,380	53,015	66,606	2,985	3,230	6,215	72,821
Real estate taxes	12,922	20,786	12,289	45,997	7,403	7,525	14,928	60,925
Food and beverage	-	52	85,979	86,031	2,063	5,318	7,381	93,412
Building maintenance and utilities	16,368	26,323	15,561	58,252	9,375	9,529	18,904	77,156
Bank and credit card fees	9,001	14,480	8,560	32,041	5,157	5,241	10,398	42,439
Interest groups	-	51,381	-	51,381	-	-	-	51,381
Advertising	-	25,899	-	25,899	-	-	-	25,899
Insurance	7,244	11,654	12,524	31,422	4,151	4,219	8,370	39,792
Awards	-	41,886	-	41,886	-	-	-	41,886
Student organization merchandise	-	8,901	-	8,901	-	-	-	8,901
Other	-	-	14,201	14,201	1,387	16,693	18,080	32,281
Communication and outreach	218	578	-	796	-	-	-	796
CIDD expenses	-	15,646	-	15,646	-	-	-	15,646
Total expenses	\$ 741,592	\$ 1,062,585	\$ 1,230,830	\$ 3,035,007	\$ 655,313	\$ 548,203	\$ 1,203,516	\$ 4,238,523

See accompanying notes.

NATIONAL COMMUNICATION ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2022

	Program Services			Supporting Activities			Total Expenses	
	External Affairs and Publications	Academic and Professional Resources	Convention	Total Program Services	Management and General	Executive Office		Total Supporting Activities
Salaries and wages	\$ 259,093	\$ 281,907	\$ 204,139	\$ 745,139	\$ 83,290	\$ 94,682	\$ 177,972	\$ 923,111
Employee benefits	62,577	68,087	49,305	179,969	20,117	22,868	42,985	222,954
Payroll taxes	20,650	22,468	16,270	59,388	6,638	7,546	14,184	73,572
Total personnel	342,320	372,462	269,714	984,496	110,045	125,096	235,141	1,219,637
Professional services	74,923	86,112	207,785	368,820	382,357	35,839	418,196	787,016
Travel and meetings	68	7,384	41,748	49,200	325	82,380	82,705	131,905
Grants and sponsorships	-	204,945	-	204,945	-	-	-	204,945
Audio and visual	-	-	241,679	241,679	-	-	-	241,679
Information technology	47,289	31,221	53,651	132,161	9,151	10,402	19,553	151,714
Editor stipends	172,000	-	-	172,000	-	-	-	172,000
Dues and subscriptions	76,193	16,339	13,120	105,652	4,777	16,019	20,796	126,448
Depreciation	24,555	26,717	19,347	70,619	7,894	8,973	16,867	87,486
Office expenses	4,365	5,068	54,755	64,188	1,403	3,832	5,235	69,423
Real estate taxes	14,583	15,866	11,489	41,938	4,688	5,329	10,017	51,955
Food and beverage	-	226	87,160	87,386	671	655	1,326	88,712
Building maintenance and utilities	24,985	27,185	19,685	71,855	8,032	9,130	17,162	89,017
Bank and credit card fees	11,408	12,409	8,985	32,802	3,665	4,168	7,833	40,635
Interest groups	-	46,756	-	46,756	-	-	-	46,756
Advertising	-	28,700	-	28,700	-	-	-	28,700
Insurance	8,588	9,345	11,285	29,218	2,761	3,139	5,900	35,118
Awards	-	37,310	-	37,310	-	-	-	37,310
Student organization merchandise	-	11,101	-	11,101	-	-	-	11,101
Other	-	1,500	27,500	29,000	156	782	938	29,938
Communication and outreach	7,740	-	-	7,740	-	-	-	7,740
Total expenses	\$ 809,017	\$ 940,646	\$ 1,067,903	\$ 2,817,566	\$ 535,925	\$ 305,744	\$ 841,669	\$ 3,659,235

See accompanying notes.

NATIONAL COMMUNICATION ASSOCIATION
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (467,056)	\$ (1,255,419)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Contributions and investment income restricted for endowments	(25,000)	-
Net realized and unrealized (gains) losses on investments	(617,224)	1,288,651
Depreciation	87,386	87,486
Decrease in assets		
Accounts receivable	44,968	60,908
Prepaid expenses	17,254	70,393
Increase (decrease) in liabilities		
Accounts payable	(4,934)	149,485
Accrued expenses	64,360	(2,854)
Accrued payroll and related liabilities	21,186	2,750
Deferred revenue	(31,389)	(33,262)
	<u>(910,449)</u>	<u>368,138</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	625,000	350,000
Interest and dividends retained in investments	(189,841)	(203,426)
Purchases of property and equipment	(107,474)	(20,500)
	<u>327,685</u>	<u>126,074</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions and investment income restricted for endowments	<u>25,000</u>	<u>-</u>
Net change in cash	(557,764)	494,212
Cash at beginning of year	<u>769,199</u>	<u>274,987</u>
Cash at end of year	<u>\$ 211,435</u>	<u>\$ 769,199</u>

See accompanying notes.

NATIONAL COMMUNICATION ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

National Communication Association (NCA) was founded in 1914 and is headquartered in Washington, DC. NCA has thousands of members from every state and all around the globe. NCA serves the scholars, teachers, and practitioners who are its members by enabling and supporting their professional interests in research and teaching. Dedicated to fostering and promoting free and ethical communication, NCA promotes the widespread appreciation of the importance of communication in public and private life, the application of competent communication to improve the quality of human life and relationships, and the use of knowledge about communication to solve human problems. NCA is supported primarily by royalties, membership dues, and convention revenue.

Accounts Receivable

Accounts receivable primarily represent amounts due from royalties, convention rebates and membership dues owed to NCA. NCA uses historical loss information based on aging of accounts receivable as the basis to determine expected credit losses. Management believes composition of accounts receivable is consistent with historical conditions and accounts receivable are expected to be settled within a relatively short time frame based on current conditions. As such, credit losses are expected to be insignificant.

Investments

NCA reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment securities, in general, are exposed to various risks, such as interest rates, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position.

Revenue Recognition

NCA's revenue consists of convention revenue, royalties, membership dues, student organization dues, editor stipends, job placement and ad revenue, subscription & publication sales, academic/professional revenue, and public engagement revenue.

NCA recognizes revenue from membership dues ratably over the applicable membership period, which is one year beginning on the individual member's join-date anniversary. Membership dues received in advance of the applicable membership period are deferred and recognized as revenue in that future period. Membership dues are nonrefundable.

Revenues from events (for example, convention revenue), royalties, editor stipends, job placement and ad revenue, subscription & publication sales, academic/professional revenue, public engagement revenue, and similar services are recognized at a point in time or over the period of the event. Sales and other taxes NCA collects concurrent with revenue-producing activities are excluded from revenues.

NATIONAL COMMUNICATION ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Purchases of property and equipment are carried at cost. Depreciation is computed using the straight-line method.

Contributions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence of any donor restrictions. When a restriction expires (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.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, depreciation, insurance, real estate taxes, and building maintenance and utilities, which are allocated on the basis of estimates of time and effort.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could differ from those estimates.

Income Tax Status

NCA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Date of Management's Review

Management has evaluated subsequent events through May 1, 2024, the date the financial statements were available to be issued.

NOTE 2 – CONCENTRATIONS OF CREDIT RISK

NCA maintains its cash balances at one financial institution located in Washington, DC. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2023, NCA's cash balances were fully insured. At December 31, 2022, NCA's uninsured cash balances totaled \$526,965.

NATIONAL COMMUNICATION ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 3 – INVESTMENTS

Investments consist of the following:

	2023	2022
Money market fund	\$ 53,900	\$ 12,479
Bonds	22,005	20,286
Mutual funds	7,314,018	7,175,093
Investments	\$ 7,389,923	\$ 7,207,858

Fair values for mutual funds are valued at unadjusted quoted prices reported on the active markets on which the individual securities are traded, which are Level 1 fair value measurements. Bonds are valued using a market approach that uses as inputs observed interest rates and yield curves, prices in active markets for similar assets, and prices for identical assets in inactive markets that have been adjusted by observable indexes, which are Level 2 fair value measurements.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2023	2022
Land	\$ 235,107	\$ 235,107
Buildings and improvements	2,144,629	2,060,927
Furniture and fixtures	178,005	178,005
Office equipment	23,276	23,276
Computers and software	326,078	302,306
Property and equipment	2,907,095	2,799,621
Less accumulated depreciation	1,699,415	1,612,029
Property and equipment, net	\$ 1,207,680	\$ 1,187,592

NOTE 5 – ENDOWMENT

NCA's endowment consists of donor-restricted endowment funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. NCA has interpreted the District of Columbia Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted contribution to the endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, NCA considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. NCA has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

NATIONAL COMMUNICATION ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 5 – ENDOWMENT (continued)

Additionally, in accordance with UPMIFA, NCA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of NCA and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of NCA, and (7) the investment policies of NCA.

Investment Return Objectives, Risk Parameters and Strategies. NCA has adopted investment and spending policies, approved by the Executive Committee, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Spending Policy. NCA has a policy of appropriating for distribution each year up to 2.55% return of its endowment fund's fair value from the preceding calendar year in which the distribution is planned. In establishing this policy, NCA considered the long-term expected return on its endowment. NCA has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations.

Changes in endowment net assets for the years ended December 31 were as follows:

	2023	2022
Endowment net assets, beginning of year	\$ 878,821	\$ 847,432
Contributions	25,000	-
Net investment return	58,989	50,534
Amounts appropriated for expenditure	(14,026)	(19,145)
Endowment net assets, end of year	\$ 948,784	\$ 878,821

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to the endowment spending policy and are restricted for NCA awards and scholarships.

NOTE 7 – RETIREMENT PLAN

NCA sponsors a defined contribution plan with TIAA covering all full-time staff members. NCA contributes to the plan each year equal to 100% of the amount deferred by the employee up to a maximum of 7% of employee's base compensation. NCA's contributions to the plan for the years ended December 31, 2023 and 2022 totaled \$62,318 and \$62,119, respectively.

NATIONAL COMMUNICATION ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 8 – COMMITMENTS

NCA has entered into agreements with several hotels for preferred room rates for future conventions to take place on dates through November 2029. In the event of cancellation, the maximum liquidating damages NCA would incur totals approximately \$2,750,000.

NOTE 9 – LIQUIDITY AND AVAILABILITY

The following reflects NCA's financial assets as of December 31, 2023 and 2022, reduced by amounts not available for general use within one year because of donor-imposed restrictions.

	2023	2022
Cash	\$ 211,435	\$ 769,199
Accounts receivable	72,652	117,620
Investments	7,389,923	7,207,858
Financial assets at year-end	7,674,010	8,094,677
Less amounts not available for general expenditures within one year due to donor-imposed restrictions:		
Restricted by donor with purpose restrictions	(948,784)	(878,821)
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,725,226	\$ 7,215,856

As part of NCA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. NCA invests cash in excess of daily requirements in short-term investments and money market funds.

NOTE 10 – INSURANCE PROCEEDS

Due to the Covid-19 pandemic, NCA experienced a reduction in attendance at its 2020 annual conference. Due to the resulting reduction in income, NCA filed an insurance claim during the year ended December 31, 2022 and received a refund of \$414,871 due to the lost revenue.