



GOVERN for IMPACT's 2019 Financial Condition

2019 was another positive, but modest year, for GOVERN financially. We showed a net surplus of \$5,636 compared to a net surplus of \$19,788 in 2018, \$18,755 in 2017, \$11,695 in 2016 and \$12,324 in 2015. We had revenue of \$200,865 compared to revenue of \$217,307 in 2018, \$171,347 in 2017, \$137,140 in 2016 and \$143,268 in 2015. Most of our revenue is from conference activities and the Policy Governance® Proficiency program. See the summary of the statement of activities below.

Summary of the Statement of Activities from Operations

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014*</u>
Total Revenue	\$200,865	\$217,307	\$171,347	\$137,140	\$143,268	\$97,571
Cost of Programs and Events	\$91,542	\$107,109	\$94,117	\$78,433	\$79,248	\$72,897
Gross Profit	\$109,322	\$110,197	\$77,230	\$58,707	\$64,020	\$24,674
Overhead Costs	\$103,686	\$90,408	\$58,475	\$47,012	\$51,696	\$56,500
Net Surplus from Operations	\$5,636	\$19,788	\$18,755	\$11,695	\$12,324	-\$31,826

*Note: Treeline Associates assumed association management services for IPGA in the 4th quarter of 2014. The accuracy of data prior to 2014 is unknown.

The net surplus added to our contingency funds which had dwindled to a negative number in 2014. On December 31, 2019 we had total assets of \$91,564. These assets include two special asset accounts:

- \$3,679 in a Caroline Oliver Endowment Savings account
- \$25,903 in a Operating Reserve Money Marketing account

Our total equity at the end of 2019 was \$63,898 compared to \$58,354 at the end of 2018, \$38,639 at the end of 2017, \$20,220 at the end of 2016 and \$8,742 total equity at the end of 2015. This year's equity included a number of specially set up funds:

- \$15,844 in the Caroline Oliver Operating fund
- \$3,679 in the Caroline Oliver Endowment Fund
- \$10,000 in a Capital Reserve Fund

GOVERN's goal is to have an equity reserve that is 50% of our annual budget. This amount of reserves would provide us a level of financial security to deal with a potential down year. An improved financial position will also allow us to devote more resources to mission related programs. See the summary of the statement of financial position below.



Summary of the Statement of Financial Position

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Assets	\$91,565	\$72,421	\$52,043	\$36,572	\$28,622	\$23,766
Liabilities*	\$27,667	\$14,066	\$13,404	\$16,352	\$19,880	\$27,359
Equity	\$63,898	\$58,354	\$38,639	\$20,220	\$8,743	-\$3,593
Total Equity and Liabilities	\$91,565	\$72,421	\$52,043	\$36,572	\$28,623	\$23,766

*Most of the liabilities are deferred membership and conference revenues, not something owed to an outside entity.

To review the detailed December 31, 2019 financial statements, see the accompanying financial statements.