



**PROJECT ON GOVERNMENT OVERSIGHT, INC.**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

**(WITH SUMMARIZED FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023)**

**PROJECT ON GOVERNMENT OVERSIGHT, INC.**

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## **Independent Auditors' Report**

The Board of Directors of  
**Project On Government Oversight, Inc.**  
Washington, DC

### ***Opinion***

We have audited the financial statements of Project On Government Oversight, Inc. ("POGO"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

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

### ***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 POGO 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 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 POGO's ability to continue as a going concern for one year after the date that 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 POGO'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 POGO'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.

#### **Other Matter**

#### ***Report on Summarized Comparative Information***

The financial statements of Project On Government Oversight, Inc. as of and for the year ended December 31, 2023, were audited by Marcum LLP, whose report dated May 1, 2024, expressed an unmodified opinion on those statements. 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.

*CBIZ CPAs P.C.*

Washington, DC  
April 24, 2025

**PROJECT ON GOVERNMENT OVERSIGHT, INC.**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2024**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash – bank account	\$ 393,021	\$ 351,187
Cash equivalents – money market	1,255,356	3,301,581
Grants and contributions receivable, net	3,447,001	992,495
Prepaid expenses and other assets	188,975	176,380
Investments	7,844,401	6,689,806
Fixed assets, net	<u>115,958</u>	<u>179,208</u>
<b>Total Assets</b>	<u>\$ 13,244,712</u>	<u>\$ 11,690,657</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 76,333	\$ 81,002
Accrued retirement plan contribution	<u>310,311</u>	<u>328,700</u>
<b>Total Liabilities</b>	<u>386,644</u>	<u>409,702</u>
<b>Net Assets</b>		
Without donor restrictions	8,228,973	8,475,037
With donor restrictions	<u>4,629,095</u>	<u>2,805,918</u>
<b>Total Net Assets</b>	<u>12,858,068</u>	<u>11,280,955</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 13,244,712</u>	<u>\$ 11,690,657</u>

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

**PROJECT ON GOVERNMENT OVERSIGHT, INC.**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Without Donor Restrictions	With Donor Restrictions	2024	2023
<b>Revenue and Support</b>				
Foundation grants	\$ 2,000,000	\$ 3,938,670	\$ 5,938,670	\$ 4,777,000
Contributions from individuals	1,530,550	717,312	2,247,862	2,740,097
Net realized and unrealized gain on investments	945,625	--	945,625	1,145,796
Interest and dividend income, net of fees	257,581	--	257,581	263,198
Contributed services	44,305	--	44,305	71,331
Other income	15,994	--	15,994	153,337
Net assets released from donor restrictions:				
Satisfaction of purpose restrictions	2,172,805	(2,172,805)	--	--
Satisfaction of time restrictions	660,000	(660,000)	--	--
<b>Total Revenue and Support</b>	<u>7,626,860</u>	<u>1,823,177</u>	<u>9,450,037</u>	<u>9,150,759</u>
<b>Expenses</b>				
Program Services:				
General Program and Policy	2,406,966	--	2,406,966	3,486,781
General Investigations and Research	539,779	--	539,779	--
Center for Defense Information	473,883	--	473,883	664,821
Pentagon Accountability	473,560	--	473,560	--
The Constitution Project	412,241	--	412,241	498,158
Customs and Border Protection Oversight	387,040	--	387,040	334,437
Congressional Oversight Initiative	335,406	--	335,406	356,573
Program Integrity Alliance	255,377	--	255,377	--
Justice, Equity, Diversity, Inclusion	252,480	--	252,480	212,233
Transparency in Federal Spending	243,124	--	243,124	79,784
Census Project	233,361	--	233,361	164,754
Civic Engagement	84,088	--	84,088	660,639
Surveillance Oversight	72,375	--	72,375	--
Lobbying	39,730	--	39,730	40,866
FOIA Litigation	38,749	--	38,749	71,614
Open the Government	--	--	--	60,553
Total Program Services	<u>6,248,159</u>	<u>--</u>	<u>6,248,159</u>	<u>6,631,213</u>
Supporting Services:				
General and administrative	774,796	--	774,796	696,078
Development	849,969	--	849,969	703,184
Total Supporting Services	<u>1,624,765</u>	<u>--</u>	<u>1,624,765</u>	<u>1,399,262</u>
<b>Total Expenses</b>	<u>7,872,924</u>	<u>--</u>	<u>7,872,924</u>	<u>8,030,475</u>
Change in Net Assets Before Other Items	(246,064)	1,823,177	1,577,113	1,120,284
Loss on Discontinuance of Event	--	--	--	(261,717)
<b>Change in Net Assets</b>	(246,064)	1,823,177	1,577,113	858,567
<b>Net Assets At Beginning of Year</b>	<u>8,475,037</u>	<u>2,805,918</u>	<u>11,280,955</u>	<u>10,422,388</u>
<b>Net Assets At End of Year</b>	<u>\$ 8,228,973</u>	<u>\$ 4,629,095</u>	<u>\$ 12,858,068</u>	<u>\$ 11,280,955</u>

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

**PROJECT ON GOVERNMENT OVERSIGHT, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

2024

	Program Services															Supporting Services				2023 Total	
	General Program and Policy	General Investigations and Research	Center for Defense Information	Pentagon Accountability	The Constitution Project	Customs & Border Protection Oversight	Congressional Oversight Initiative	Program Integrity Alliance	Justice, Equity, Diversity, Inclusion	Transparency In Federal Spending	Census Project	Civic Engagement	Surveillance Oversight	Lobbying	FOIA Litigation	Total Program Services	General and Administrative	Development	Total Supporting Services		Total
Personnel costs:																					
Salaries	\$ 1,744,317	\$ 373,411	\$ 279,984	\$ 345,552	\$ 294,140	\$ 227,622	\$ 235,137	\$ --	\$ 124,153	\$ 178,235	\$ 130,022	\$ 60,048	\$ 51,694	\$ 27,474	\$ 12,646	\$ 4,084,435	\$ 422,268	\$ 486,994	\$ 909,262	\$ 4,993,697	\$ 4,999,739
Employee benefits	257,684	60,502	44,920	51,257	41,690	34,518	36,150	--	19,302	23,643	22,997	11,126	10,600	5,118	1,905	621,412	70,908	75,911	146,819	768,231	684,312
Payroll taxes	135,310	27,905	22,089	26,357	22,935	17,268	18,155	--	9,525	13,442	9,916	4,585	3,892	2,092	983	314,454	32,929	37,257	70,186	384,640	389,922
<b>Total personnel costs</b>	<b>2,137,311</b>	<b>461,818</b>	<b>346,993</b>	<b>423,166</b>	<b>358,765</b>	<b>279,408</b>	<b>289,442</b>	<b>--</b>	<b>152,980</b>	<b>215,320</b>	<b>162,935</b>	<b>75,759</b>	<b>66,186</b>	<b>34,684</b>	<b>15,534</b>	<b>5,020,301</b>	<b>526,105</b>	<b>600,162</b>	<b>1,126,267</b>	<b>6,146,568</b>	<b>6,073,973</b>
Consultant fees	21,949	1,881	61,109	1,906	1,716	55,412	1,165	--	55,587	635	52,512	150	153	101	70	254,346	123,719	2,352	126,071	380,417	365,222
Fiscal sponsorship expenses	--	--	--	--	--	--	--	255,377	--	--	--	--	--	--	--	255,377	--	--	--	255,377	--
Outreach	9,234	2,827	1,252	1,316	1,204	22,229	925	--	467	3,638	496	208	197	107	53	44,153	--	170,011	170,011	214,164	581,378
Web/Internet	47,013	9,935	7,531	20,682	7,889	6,346	6,291	--	3,318	4,737	3,481	1,611	1,386	736	339	121,295	--	12,968	12,968	134,263	106,505
Technology	43,471	8,791	6,284	7,059	5,734	4,901	4,921	--	2,616	3,146	3,199	1,612	1,514	719	257	94,224	11,828	10,385	22,213	116,437	112,150
Printing and postage	26,210	5,878	21,125	5,033	4,180	3,344	4,743	--	1,864	5,546	2,201	1,036	1,002	489	358	83,009	374	16,504	16,878	99,887	89,599
Learning and development	23,300	5,776	2,274	1,874	2,147	2,376	1,793	--	30,718	925	1,102	331	173	122	266	73,177	5,126	3,124	8,250	81,427	43,571
Legal fees	13,538	900	12,230	--	12,200	--	--	--	--	1,065	2,105	--	--	1,765	21,331	65,134	8,963	--	8,963	74,097	248,293
Depreciation and amortization	22,085	4,756	3,513	4,390	3,734	2,894	2,973	--	1,572	2,274	1,640	755	650	346	160	51,742	5,372	6,136	11,508	63,250	10,542
Research materials and documents	19,387	22,338	2,883	2,433	4,825	2,370	1,872	--	892	2,416	794	305	170	142	113	60,940	38	--	38	60,978	74,003
Shared space license fee	17,166	3,608	2,758	3,380	2,912	2,218	2,302	--	1,212	1,732	1,256	576	492	264	124	40,000	4,898	4,736	9,634	49,634	97,026
Travel	12,776	8,432	4,126	699	2,670	4,291	992	--	271	722	831	1,365	103	80	52	37,410	1,386	6,014	7,400	44,810	62,261
Insurance	9,648	1,930	1,790	1,611	1,592	1,171	1,324	--	684	752	793	380	349	175	72	22,271	15,943	2,717	18,660	40,931	36,544
Bank, payroll and filing fees	1,137	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1,137	20,307	14,824	35,131	36,268	34,670
Meeting expenses	2,446	352	15	48	80	16,663	--	--	299	205	16	--	--	--	20	20,144	3,667	36	3,703	23,847	23,104
Accounting fees	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	21,728	--	21,728	21,728	42,120
Recruiting	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	16,364	--	16,364	16,364	17,286
Office and other	295	557	--	11	2,625	--	--	--	--	11	--	--	--	--	--	3,499	8,978	--	8,978	12,477	12,228
<b>Total Expenses</b>	<b>\$ 2,406,966</b>	<b>\$ 539,779</b>	<b>\$ 473,883</b>	<b>\$ 473,560</b>	<b>\$ 412,241</b>	<b>\$ 387,040</b>	<b>\$ 335,406</b>	<b>\$ 255,377</b>	<b>\$ 252,480</b>	<b>\$ 243,124</b>	<b>\$ 233,361</b>	<b>\$ 84,088</b>	<b>\$ 72,375</b>	<b>\$ 39,730</b>	<b>\$ 38,749</b>	<b>\$ 6,248,159</b>	<b>\$ 774,796</b>	<b>\$ 849,969</b>	<b>\$ 1,624,765</b>	<b>\$ 7,872,924</b>	<b>\$ 8,030,475</b>

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

**PROJECT ON GOVERNMENT OVERSIGHT, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	\$ 1,577,113	\$ 858,567
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	63,250	10,542
Net realized and unrealized gains on investments	(945,625)	(1,145,796)
Loss on disposal of property and equipment	--	20,000
Gain on the sale of land	--	(10,668)
Change in assets and liabilities:		
Grants and contributions receivable	(2,454,506)	1,103,297
Prepaid expenses and other assets	(12,595)	142,304
Accounts payable and accrued expenses	(4,669)	26,195
Contract liabilities	--	(50,000)
Accrued retirement plan contribution	(18,389)	66,672
<b>Net Cash (Used in) Provided by Operating Activities</b>	<u>(1,795,421)</u>	<u>1,021,113</u>
<b>Cash Flows From Investing Activities</b>		
Purchases of fixed assets	--	(189,750)
Net proceeds on the sale of land	--	35,168
Purchases of investments	(713,949)	(301,514)
Proceeds of sale of investments	504,979	900,000
<b>Net Cash (Used in) Provided by Investing Activities</b>	<u>(208,970)</u>	<u>443,904</u>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(2,004,391)	1,465,017
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>3,652,768</u>	<u>2,187,751</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 1,648,377</u>	<u>\$ 3,652,768</u>
<b>Reconciliation of cash and cash equivalents</b>		
Cash – bank account	\$ 393,021	\$ 351,187
Cash equivalents – money market	<u>1,255,356</u>	<u>3,301,581</u>
<b>Total Cash and Cash Equivalents</b>	<u>\$ 1,648,377</u>	<u>\$ 3,652,768</u>

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

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

#### *ORGANIZATION*

Founded in 1981, the Project on Government Oversight (“POGO”) is a nonpartisan independent watchdog that investigates and exposes waste, corruption, abuse of power, and when the government fails to serve the public or silences those who report wrongdoing. POGO champions reforms to achieve a more effective, ethical, and accountable Federal government that safeguards constitutional principles.

#### *BASIS OF PRESENTATION*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) using the accrual basis of accounting.

#### *CASH AND CASH EQUIVALENTS*

POGO considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents when purchased. All cash equivalents as of December 31, 2024 consisted of money market funds.

#### *GRANTS AND CONTRIBUTIONS RECEIVABLE*

Grants and contributions receivable represent unconditional promises to give from foundation grants and contributions from individuals. Grants and contributions receivable that are expected to be collected within one year are recorded at net realizable value. Grants and contributions receivable that are expected to be collected in future years are recorded at the net present value of their estimated future cash flows. The face amount of grants and contributions receivable is also reduced by an allowance for doubtful accounts. The allowance for doubtful accounts reflects the best estimate of probable losses, determined principally on the basis of historical experience and allowances for specifically identified delinquent accounts. All accounts, or portions thereof, that are deemed uncollectible are written off to the allowance for doubtful accounts.

#### *INVESTMENTS*

Investments are recorded at their readily determinable fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability through an orderly transaction between market participants at the measurement date. Interest and dividend income, and realized and unrealized gains are shown separately in the accompanying statement of

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2024

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (CONTINUED)

##### *INVESTMENTS (CONTINUED)*

activities. Investments acquired by gift are recorded at their fair value at the date of the gift. POGO's policy is to liquidate all gifts of investments as soon as possible after the gift has been received.

##### *FAIR VALUE MEASUREMENT*

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and requires disclosures about fair value measurements for assets and liabilities measured at fair value on a recurring basis. The ASC emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and therefore a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, the ASC established a fair value hierarchy based upon the transparency of the inputs to the valuation of an asset or liability. These inputs may be observable, whereby market participant assumptions are developed based on market data obtained from independent sources, and unobservable, whereby assumptions about market participant assumptions are developed by the reporting entity based on the best information available in the circumstances.

The three levels of the fair value hierarchy are described as follows:

##### *Level 1*

Inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

##### *Level 2*

Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets.

##### *Level 3*

Unobservable inputs for the asset or liability, including the reporting entity's own assumptions in determining the fair value measurement.

As of and for the year ended December 31, 2024, POGO's investments, as described in Note 3 to these financial statements, were measured at fair value on a recurring basis.

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (CONTINUED)

#### *FIXED ASSETS*

Fixed assets purchased in excess of \$2,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years.

The cost of fixed assets retired or disposed of is removed from the accounts along with the related accumulated depreciation, and any gain or loss is reflected in income or expense in the accompanying statement of activities. Major additions are capitalized while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

#### *CLASSIFICATION OF NET ASSETS*

Net assets available for use in general operations and not subject to donor restrictions are recorded as “net assets without donor restrictions”. Unconditional contributions restricted by donors are reported as increases in “net assets with donor restrictions”, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions. As of December 31, 2024, POGO had no net assets with donor restrictions that are required to be maintained in perpetuity.

#### *REVENUE RECOGNITION*

The majority of POGO’s activities are supported by foundation grants (grants) and contributions from individuals (contributions). Revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Unconditional grants and contributions that have donor restrictions are recognized as grants or contributions “with donor restrictions.”

Unconditional grants and contributions that have been awarded to POGO, but not yet received, are reflected as grants and contributions receivable in the accompanying statement of financial position. A grant or contribution is considered conditional if the agreement includes a measurable performance or barrier and a right of return. Conditional promises to give are not recognized until they become unconditional, that is, when the barriers in the agreement are met.

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2024

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (CONTINUED)

##### *CONTRIBUTED SERVICES*

Contributed services are recognized in the accompanying statement of activities as revenue and support and as expense, based on the estimated fair value of such services. POGO did not monetize any contributed nonfinancial assets and contributed nonfinancial assets did not have any donor-imposed restrictions.

Contributed services recognized during the year ended December 31, 2024 totaled \$44,305 and consist entirely of pro-bono legal services provided by law firms and others with legal expertise who drafted amicus briefs filed in federal court on behalf of POGO, and provided research and drafting support for program reports. Such activities are reflected in program services expense in the accompanying statements of activities and functional expenses. Contributed services are valued and reported at estimated fair value in the financial statements based on current market rates for similar legal services. For those services that do not require special expertise, the estimated value of such contributed services has not been recorded in the accompanying financial statements.

##### *FUNCTIONAL ALLOCATION OF EXPENSES*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of POGO are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort. Costs that are allocated primarily include employee benefits and payroll taxes, rent, depreciation and amortization, technology and printing and postage.

##### *USE OF ESTIMATES*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2024

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#### NOTE 2 - GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable were due as follows as of December 31, 2024:

Amounts due in 2025	\$ 2,853,251
Amounts due in 2026	<u>600,000</u>
	3,453,251
Less: allowance for doubtful accounts	<u>(6,250)</u>
<b>Grants and Contributions Receivable, Net</b>	<b><u>\$ 3,447,001</u></b>

As of December 31, 2024, no discount to present value was recorded for amounts due in more than one year as the discount was considered immaterial to the financial statements as a whole.

As of December 31, 2024, grants and contributions receivable consisted of \$2,300,000 due from three donors, which represents 67% of the grants and contributions receivable balance.

As of December 31, 2024, POGO had \$964,994 due from two donors which was not yet recognized in the financial statements due to POGO not yet meeting donor-imposed conditions. Such conditions include measurable performance criteria which creates barriers that must be overcome prior to POGO recognizing the related revenue.

#### NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENT

Investments consisted of the following as of December 31, 2024:

Mutual funds – equities	\$ 3,172,394
Exchange traded funds – equities	3,001,325
Mutual funds – fixed income	<u>1,670,682</u>
<b>Total Investments</b>	<b><u>\$ 7,844,401</u></b>

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by POGO are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily value and to transact at that price. Exchange traded funds are valued at the closing price reported on the active market in which the individual funds are traded.

As of December 31, 2024, all investments were classified as Level 1 within the fair value hierarchy.

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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### NOTE 4 - FIXED ASSETS

Fixed assets consisted of the following at December 31, 2024:

Website	\$ 189,750
Less: Accumulated depreciation and amortization	<u>(73,792)</u>
<b>Fixed Assets, Net</b>	<b><u>\$ 115,958</u></b>

### NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at December 31, 2024:

Subject to expenditure for specified purpose:	
Defense/CDI	\$ 670,022
Pentagon Accountability	514,710
Investigation & Research	250,000
Census Project	114,318
Program Integrity Alliance	94,779
Capacity Building	<u>85,266</u>
Subtotal	1,729,095
Subject to passage of time	<u>2,900,000</u>
<b>Total Net Assets With Donor Restrictions</b>	<b><u>\$ 4,629,095</u></b>

### NOTE 6 - CONCENTRATION OF CREDIT RISK

POGO maintains its cash balance with a certain commercial financial institution, which aggregate balances may exceed, at times, the Federal Deposit Insurance Corporation ("FDIC") insured limit of \$250,000 per depositor per institution. As of December 31, 2024, the balance exceeded the FDIC maximum insured limit by approximately \$143,000. POGO monitors the creditworthiness of the institution and has not experienced any historical credit losses on its cash balance.

Money market funds are held with certain financial institutions and are insured up to \$500,000 per institution by the Securities Investor Protection Corporation ("SIPC"). POGO's money market balance as of December 31, 2024 exceeded the SIPC maximum insured limit per institution by approximately \$316,000. POGO monitors the creditworthiness of the institutions and has not experienced any historical credit losses on its money market funds.

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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### NOTE 7 - LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the statement of financial position date comprise the following:

Cash and cash equivalents	\$ 1,648,377
Investments	7,844,401
Grants and contributions receivable, net	<u>3,447,001</u>
Subtotal financial assets	12,939,779
Less:	
Amounts unavailable for general expenditures within one year due to donor purpose restrictions	(1,729,095)
Amounts unavailable for general expenditures within one year due to donor time restrictions	<u>(600,000)</u>
<b>Financial Assets Available to Meet Cash Needs For General Expenditure Within One Year</b>	<b><u>\$ 10,610,684</u></b>

POGO has a policy to structure its financial assets to be available and liquid as its obligations become due. As of December 31, 2024, POGO had financial assets available to cover more than one year of operating expenses.

### NOTE 8 - POGO ACTION, INC.

Due to restrictions on Section 501(c)(3) organizations, POGO Action Inc. (“POGO Action”) was created as a 501(c)(4) organization. POGO Action is organized for purposes of social welfare, including but not limited to conducting research, publicizing findings and advocating for a more effective, accountable, open and ethical Federal government, including proposing good government issues to candidates and to presidential transition teams.

Certain members of management and the Board of Directors of POGO also serve as management and members of the Board of Directors of POGO Action, respectively. However, POGO does not have a controlling financial interest in POGO Action.

POGO and POGO Action entered into a Sharing Agreement in February 2016. During the year ended December 31, 2024, there were no significant shared services provided by POGO to POGO Action and no related shared service revenue is recognized in the accompanying statement of activities.

# PROJECT ON GOVERNMENT OVERSIGHT, INC.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2024

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#### NOTE 9 - RETIREMENT PLAN

POGO sponsors a 403(b) retirement plan that is available to employees who meet certain eligibility requirements. Employer contributions are discretionary, subject to annual approval of the Board of Directors of POGO. For the year ended December 31, 2024, POGO contributed 7% of each eligible employee's salary to the retirement plan, which totaled \$310,311 and is included as accrued retirement plan contribution in the accompanying statement of financial position. The related expense is included in employee benefits in the accompanying statement of functional expenses.

#### NOTE 10 – JOINT COSTS

POGO conducts fundraising campaigns that include appeals for contributions as well as program components. POGO allocates the cost of the campaigns to the supported functional categories. The cost of these campaigns totaled \$95,036 for the year ended December 31, 2024, comprising of \$85,782 of program expenses and \$9,254 of development expenses.

#### NOTE 11 - INCOME TAXES

POGO is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. POGO is not a private foundation.

POGO performed an evaluation of uncertainty in tax positions for the year ended December 31, 2024, and determined that there are no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. There are currently no examinations pending or in progress regarding POGO's tax returns.

#### NOTE 12 - PRIOR YEAR SUMMARIZED FINANCIAL INFORMATION

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Accordingly, such information should be read in conjunction with POGO's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

# **PROJECT ON GOVERNMENT OVERSIGHT, INC.**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

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### **NOTE 13 - RECLASSIFICATIONS**

Certain prior year amounts have been reclassified between asset categories on the statements of financial position to conform to the current year financial statement presentation. There was no effect on net position or results of operations as a result of the reclassifications.

### **NOTE 14 - SUBSEQUENT EVENTS**

In preparing these financial statements, POGO has evaluated events and transactions for potential recognition or disclosure through April 24, 2025, the date the financial statements were issued. There were no subsequent events that were required to be recognized in the financial statements or disclosed.