



**AMERICAN INDIAN SCIENCE
AND ENGINEERING SOCIETY**

**INDEPENDENT AUDITOR'S REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2024,
WITH COMPARATIVE TOTALS FOR 2023**

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AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
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FOR THE YEAR ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023
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**AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
OFFICIAL ROSTER
AS OF DECEMBER 31, 2024**

Board of Directors

Name	Title
Gary Burnette	Chair
William Tiger	Vice-Chair
Katelyn Hopkins	Secretary
Melvin Monette-Barajas	Treasurer
Jonathan Clark	Member
Joshua John	Member
Brendan Kinkade	Member
Makalika Naholowaa	Member
Roger Dube	Member
Dr. Kenneth Bowen	Member

Principal Administration

Name	Title
Sarah Echohawk	President

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Board of Directors and Management of
American Indian Science and Engineering Society
Albuquerque, NM

Opinion

We have audited the accompanying consolidated financial statements of the American Indian Science and Engineering Society (“AISES”), a nonprofit organization, which comprise the Consolidated Statement of Financial Position as of December 31, 2024, and the related Consolidated Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of AISES as of December 31, 2024, 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 (“GAAP”).

Basis for Opinion

We conducted our audit in accordance with GAAS and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (“GAGAS”). 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 AISES 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 consolidated financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about AISES' ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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 and GAGAS 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, including omissions, 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 consolidated financial statements.

In performing an audit in accordance with GAAS and the standards applicable to financial audits contained in GAGAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 AISES' 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 AISES' 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.

Report on Summarized Comparative Information

We have previously audited AISES' December 31, 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated July 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Schedule of Expenditures of Federal Awards ("SEFA"), as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of Management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards (GAGAS)

In accordance with GAGAS, we have also issued our report dated August 8, 2025, on our consideration of AISES' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is

an integral part of an audit performed in accordance with GAGAS in considering the AISES' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Hinkle + Landers, P.C." in a cursive, stylized font.

Hinkle + Landers, P.C.

Albuquerque, NM

August 8, 2025

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

ASSETS	2024	2023
<i>Current assets</i>		
Cash and cash equivalents	\$ 3,573,815	2,097,371
Restricted cash	70,786	69,148
Investments - current	5,105,011	-
Receivables - current	813,706	1,664,917
Inventory	12,092	12,729
Prepaid expenses	91,128	76,796
Total current assets	9,666,538	3,920,961
<i>Noncurrent assets</i>		
Receivables - noncurrent	-	161,008
Investments - noncurrent	1,071,709	547,789
Property and equipment, net	6,500	6,500
Right-of-use assets, net	564,972	663,887
Security deposits	11,440	11,440
Total noncurrent assets	1,654,621	1,390,624
Total assets	<u>\$ 11,321,159</u>	<u>5,311,585</u>
LIABILITIES AND NET ASSETS		
<i>Current liabilities</i>		
Accounts payable	\$ 389,315	295,343
Payroll related and compensated absences	350,261	351,767
Deferred revenues	502,826	256,381
Current lease liability - operating	100,546	96,370
Loans payable - current	3,836	3,736
Total current liabilities	1,346,784	1,003,597
<i>Noncurrent liabilities</i>		
Agency liabilities	70,786	69,148
Noncurrent lease liability - operating	506,163	606,710
Loans payable - noncurrent	138,145	141,999
Total noncurrent liabilities	715,094	817,857
Total liabilities	2,061,878	1,821,454
NET ASSETS		
<i>Without donor restrictions</i>		
AISES	2,228,953	(1,612,405)
Board-designated	67,613	63,846
Noncontrolling interest in API	-	696
Total without donor restrictions	2,296,566	(1,547,863)
<i>With donor restrictions</i>		
Perpetual in nature	640,500	141,000
Subject to appropriation	318,053	292,379
Purpose restrictions	6,004,162	4,604,615
Total with donor restrictions	6,962,715	5,037,994
Total net assets	9,259,281	3,490,131
Total liabilities and net assets	<u>\$ 11,321,159</u>	<u>5,311,585</u>

The independent auditor's report and accompanying notes are an integral part of these consolidated financial statements.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023
REVENUE, SUPPORT, AND GAINS				
Corporate	\$ 2,181,097	4,710,650	6,891,747	4,636,479
In-kind	1,918,442	-	1,918,442	1,901,450
Grants - Federal	1,496,333	-	1,496,333	1,860,897
Foundation	233,071	90,706	323,777	1,771,424
Nonprofit/tribes	353,067	375,136	728,203	999,014
State and other	1,046,350	12,500	1,058,850	848,388
Conference registration and events	597,934	-	597,934	788,718
Advertising income	219,850	-	219,850	536,759
Individual	5,937,085	1,128,517	7,065,602	281,981
Educational institute	275,502	8,550	284,052	189,752
Membership fees	163,861	-	163,861	143,854
Net investment income	271,970	44,063	316,033	104,086
Other	2,597	-	2,597	10,722
Net assets released from restrictions	4,445,401	(4,445,401)	-	-
Total revenue, support, and gains	19,142,560	1,924,721	21,067,281	14,073,524
EXPENSES AND LOSSES				
Program service expense	11,549,665	-	11,549,665	10,312,308
Supporting services expense:				
Management and general	2,539,479	-	2,539,479	2,146,632
Fundraising and development	1,208,291	-	1,208,291	720,668
Total supporting services expense	3,747,770	-	3,747,770	2,867,300
Total expenses and losses	15,297,435	-	15,297,435	13,179,608
Change in net assets from operations	3,845,125	1,924,721	5,769,846	893,916
Elimination of noncontrolling interest in API	(696)	-	(696)	-
CHANGE IN NET ASSETS	3,844,429	1,924,721	5,769,150	893,916
Net assets, beginning of year	(1,547,863)	5,037,994	3,490,131	2,596,215
Net assets, end of year	\$ 2,296,566	6,962,715	9,259,281	3,490,131

The independent auditor's report and accompanying notes are an integral part of these consolidated financial statements.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

	Program Services						
	Editorial/ Adv./ Comm.	Membership & Chapter Management	Events/FP/ Leadership	Precollege Programs	College Programs	Professional Development Programs	Strategic Initiatives & Research
Salaries	\$ 503,732	178,133	547,204	473,196	400,227	95,061	743,417
Payroll taxes	40,081	13,065	42,083	38,211	32,085	7,054	60,006
Employee benefits	50,047	23,230	71,336	47,089	55,536	11,036	87,626
Total personnel expense	593,860	214,428	660,623	558,496	487,848	113,151	891,049
Professional fees	261,887	11,270	420,065	246,699	5,027	2,207	452,167
Awards/gifts and scholarships	2,882	-	140,780	56,795	16,482	1,045	801,980
Participation costs and stipends	-	586	198,159	147,951	-	11,305	293,314
Convention costs	-	-	915,325	-	-	-	-
Travel	33,905	16,670	237,074	133,359	1,494	30,456	94,574
Material and supplies	421	129	23,168	147,106	15,923	495	27,410
Meeting expense	149	(1,000)	6,270	21,812	(408)	8,488	17,577
Printing and copying	57,220	617	32,735	5,206	31	218	-
Computer services and related	32,512	-	31,609	7,445	17	-	288
Amortization - Lease Asset	-	-	-	-	-	-	-
Bank service charges	2,682	-	94,171	-	3	-	-
Credit loss	-	-	-	-	-	-	-
Postage and shipping	27,976	257	4,041	4,472	747	87	352
Occupancy	-	-	-	-	15,921	3,192	-
Dues and subscriptions	24,693	-	1,435	5,847	1,707	2,114	2,455
Telephone and communications	2,704	120	1,215	2,525	1,510	-	1,710
Advertising	2,690	-	1,009	-	-	-	-
Public education	1,911,488	-	-	-	-	-	-
Office expense	-	-	5,112	-	-	-	-
Interest - Lease Liability	-	-	-	-	-	-	-
Total	\$ 2,955,069	243,077	2,772,791	1,337,713	546,302	172,758	2,582,876

The independent auditor's report and accompanying notes are an integral part of these consolidated financial statements.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023, CONTINUED

	Program Services		Supporting Services			2024	
	Scholarships	Total Program Services	Management & General	Fundraising	Total Supporting Services	Total	2023
Salaries	\$ -	2,940,970	967,678	675,976	1,643,654	4,584,624	3,971,492
Payroll taxes	-	232,585	78,094	51,970	130,064	362,649	302,571
Employee benefits	-	345,900	110,224	62,355	172,579	518,479	435,360
Total personnel expense	-	3,519,455	1,155,996	790,301	1,946,297	5,465,752	4,709,423
Professional fees	-	1,399,322	765,606	186,397	952,003	2,351,325	1,819,387
Awards/gifts and scholarships	939,292	1,959,256	29,109	8,151	37,260	1,996,516	1,001,585
Participation costs and stipends	-	651,315	-	-	-	651,315	1,052,232
Convention costs	-	915,325	73,807	-	73,807	989,132	862,313
Travel	(213)	547,319	83,738	74,877	158,615	705,934	581,477
Material and supplies	-	214,652	122,869	4,756	127,625	342,277	425,008
Meeting expense	-	52,888	9,021	38,917	47,938	100,826	82,494
Printing and copying	-	96,027	4,955	53,129	58,084	154,111	186,529
Computer services and related	-	71,871	89,157	7,759	96,916	168,787	122,798
Amortization - Lease Asset	-	-	98,914	-	98,914	98,914	98,184
Bank service charges	-	96,856	19,320	4,349	23,669	120,525	100,009
Credit loss	-	-	4,650	-	4,650	4,650	45,000
Postage and shipping	-	37,932	4,000	10,384	14,384	52,316	51,686
Occupancy	-	19,113	40,613	-	40,613	59,726	100,330
Dues and subscriptions	-	38,251	1,735	26,871	28,606	66,857	28,539
Telephone and communications	-	9,784	12,447	2,400	14,847	24,631	20,821
Advertising	-	3,699	585	-	585	4,284	12,008
Public education	-	1,911,488	-	-	-	1,911,488	1,839,490
Office expense	-	5,112	12,497	-	12,497	17,609	28,331
Interest - Lease Liability	-	-	10,460	-	10,460	10,460	11,964
Total	\$ 939,079	11,549,665	2,539,479	1,208,291	3,747,770	15,297,435	13,179,608

The independent auditor's report and accompanying notes are an integral part of these consolidated financial statements.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from grants and contracts	\$ 3,122,331	2,291,963
Cash receipts from contributions	15,705,746	7,682,554
Cash receipts from conference registration, events, and membership fees	700,795	932,572
Cash receipts from other sources	593,235	778,367
Interest received	194,270	648
Interest paid	(4,784)	(4,527)
Cash paid to employees and suppliers	(13,292,895)	(11,254,074)
Cash provided by operating activities	7,018,698	427,503
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(5,992,520)	-
Reinvested net investment income	(60,593)	(23,263)
Change in Chapter Organization cash	(1,638)	1,351
Cash used for investing activities	(6,054,751)	(21,912)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions to endowment	499,500	8,500
Repayment on line of credit and notes payable	(3,754)	(4,057)
Endowment distribution	18,389	17,298
Cash provided by financing activities	514,135	21,741
Net increase	1,478,082	427,332
Beginning cash, restricted cash, and cash equivalents	2,166,519	1,739,187
Ending cash, restricted cash, and cash equivalents	\$ 3,644,601	2,166,519
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Change in net assets	\$ 5,769,846	893,916
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization	98,914	98,184
Realized/unrealized (gain)/loss on investments	(91,126)	(68,094)
<i>(Increases) decreases in operating assets:</i>		
(Increase) decrease in receivables	1,012,219	(393,252)
(Increase) decrease in inventory	637	(2,280)
(Increase) decrease in prepaid expense	(14,332)	18,150
(Increase) decrease in security deposits	-	5,790
<i>Increase (decrease) in operating liabilities:</i>		
Increase (decrease) in accounts payable	93,972	(227,544)
Increase (decrease) in deferred revenue	246,445	(30,414)
Increase (decrease) in payroll related and comp. absences	(1,506)	219,901
Increase (decrease) in lease liabilities	(96,371)	(86,854)
Cash provided by operating activities	\$ 7,018,698	427,503
Significant Non-Cash Transactions		
In-kind	\$ 1,918,442	1,901,450

The independent auditor's report and accompanying notes are an integral part of these consolidated financial statements.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

NOTE 1. PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Founded in 1977, the American Indian Science and Engineering Society (“AISES”) has focused on substantially increasing the representation of Indigenous peoples of North America and the Pacific Islands in critically needed STEM (science, technology, engineering, math) disciplines. This robust nonprofit currently supports individual student and professional members across the U.S. and Canada through chartered college and university chapters, professional chapters, tribal chapters, and affiliated PK-12 schools. Members benefit from diverse STEM-focused programming that supports careers and promotes student success and workforce development in multiple crucial areas. AISES also publishes *Winds of Change*, a nationally distributed magazine with a focus on STEM educational and career advancement for Native people. In 1985, AISES created a subsidiary called AISES Publishing, Inc. (API). API historically published *Winds of Change*, but the publishing program was absorbed by AISES during 2019. In October 2024, AISES became the sole owner of API through the transfer of the remaining 10.1% noncontrolling interest. The interest was transferred for nominal consideration of \$696, based on the par value of the outstanding shares. While API remains legally active and AISES retains ownership of the entity, there is no financial activity in 2024 or 2023 and no active programs or projects are currently being run through API.

B. Program Service Descriptions

Editorial, Outreach & Engagement, Public Education and Communications

AISES utilizes an array of communications strategies and resources to educate the public, Tribes, schools, nonprofits, corporations, foundations, and government agencies about the need for increased STEM education and career opportunities for Indigenous people. AISES also conducts outreach to Indigenous people and Tribes to promote the importance of STEM.

Membership and Chapter Management

AISES Membership is open to students, professionals, and retirees. It is about connecting and relating with others, sharing stories, engaging in reciprocal relationships, gaining resources, and advancing educational and professional goals.

AISES College, Professional, and Tribal Chapters are located across North America and made up of AISES members. The primary objectives of Chapters are to create a forum

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

for AISES members to communicate about STEM educational and professional opportunities and to relate to and support one another through their STEM journeys. Additionally, Chapters can help facilitate individual growth opportunities through professional development, mentor programs, leadership training, and event participation.

Events, Fixed Price, and Leadership

AISES produces large scale events for its members and others that serve as a forum for networking, learning, leadership, and professional development training, and sharing of research and best practices in STEM fields. High school students have the opportunity to attend events and to gain exposure to STEM activities at an annual STEM Day event. College students and professionals are exposed to potential employers along with resume support and interview opportunities. All events offer a cultural component which makes AISES events unique.

Pre-College Programs

The focus of AISES' pre-college programs is to build awareness and increase retention in K-12 STEM education. AISES does this by providing K-12 students, parents, and educators with culturally contextual curriculum, programming in community schools, and opportunities to engage students in STEM pursuits.

College Programs

The focus of AISES' college programs is to increase access to and success in STEM higher education by providing college students with financial and high touch support. Additionally, when available, AISES offers internship opportunities to explore careers with corporations and federal agencies.

Scholarships

AISES administers scholarships and, when available, an emergency fund to provide financial relief that enables students to continue pursuing their education or to travel to an AISES event. Scholarships are awarded to undergraduate and graduate student members of AISES who exhibit leadership interest and qualities, academic achievement, and a willingness to take full advantage of the opportunities offered at AISES events.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

Professional Development Programs

AISES utilizes a variety of programs to support STEM education and career training and development through financial, academic, professional, and cultural support to Indigenous peoples of North America and the Pacific Islands; and build partnerships with Tribes, schools, nonprofits, corporations, foundations, and government agencies to support these programs.

Strategic Initiatives and Research

The focus of AISES' work in this area is to create and leverage strategic partnerships and conduct research in STEM – related academic and/or career pursuits. Alliances are pursued to build and strengthen partnerships, as well as to foster reciprocal relationships with STEM stakeholders. Research is conducted to accurately report the advances and contributions of Indigenous people in STEM and to identify and solve structural barriers to gaining access to and success into STEM education and careers. AISES is particularly interested in the adverse impact such barriers have on the country's workforce development.

C. Principles of Consolidation

The consolidated financial statements include the accounts of AISES and its subsidiary, AISES Publishing, Inc. (API). Historically, AISES held an 89.9% ownership interest in API and consolidated its operations accordingly. In October 2024, AISES acquired the remaining 10.1% ownership interest in API through the transfer of shares from the noncontrolling shareholder, for nominal consideration. As a result, API became a wholly owned subsidiary of AISES.

In accordance with FASB ASC 810-10, the change in ownership interest was accounted for as an equity transaction. The carrying amount of the noncontrolling interest was reclassified to net assets without donor restrictions during the year ended December 31, 2024. API did not have any recorded net income or loss during the year. All significant intercompany transactions and balances have been eliminated in consolidation.

The consolidated financial statements do not include the financial activities of AISES' various self-directed professional chapter organizations. In the event chapter organizations are terminated, any remaining cash balances would revert to AISES. Accordingly, the chapter cash and a corresponding agency liability are reflected in these consolidated financial statements. Historically, no chapters have been terminated.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024, WITH COMPARATIVE TOTALS FOR 2023

D. Basis of Accounting

The accompanying consolidated financial statements have been prepared using the accrual method of accounting, in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Under the accrual method of accounting, revenues are recognized when earned rather than received, and expenses are recognized when the related liability is incurred rather than when paid.

E. Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with FASB ASC 958-205. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions—Net assets that are available for use in general operations and are not subject to donor-imposed restrictions. The Board of Directors may designate a portion of net assets without donor restrictions for specific operating purposes, including board-designated endowments.

Net Assets With Donor Restrictions—Time/Purpose—Subject to donor-imposed stipulations that will be satisfied either by the passage of time or by actions fulfilling a specified purpose (e.g., program activities, future periods, or acquisition of long-lived assets).

Net Assets With Donor Restrictions—Perpetual in Nature—Subject to donor restrictions requiring that the principal be maintained in perpetuity, typically with income available for general use or donor-specified purposes.

F. Cash and Cash Equivalents

For purposes of the consolidated Statement of Cash Flows, AISES considers all restricted, highly liquid investments with original maturities of 90 days or less to be cash equivalents.

G. Investments

Investments are reported at fair value. Changes in fair value, including realized and unrealized gains and losses, are reported in the statement of activities as net investment return. Investment income with donor-imposed restrictions is reported as an increase in net assets with donor restrictions until the restriction has been satisfied.

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H. Receivables

Receivables consist of amounts due from grants, contributions, sponsorships, advertising, and other sources. Receivables are recorded when revenue recognition criteria have been met but payment has not yet been received. Receivables are stated at net realizable value.

Unconditional promises to give are recognized as receivables and revenue when the promise is received, provided the promise is in substance unconditional. Promises due in more than one year are recorded at net present value using a risk-adjusted discount rate, if the effect of discounting is material.

Management evaluates the collectability of receivables and establishes an allowance for uncollectible accounts when necessary. The evaluation includes factors such as the aging of receivables, historical collection trends, and specific identification of potentially uncollectible accounts. As of December 31, 2024 and 2023, management determined that all receivables were fully collectible and, accordingly, no allowance for uncollectible accounts was recorded.

I. Inventories

Inventories consist primarily of promotional materials and merchandise such as blankets, apparel, and similar items held for sale, as well as items purchased for use at the National Conference, including event materials and branded items. Purchased inventory is stated at the lower of cost (first-in, first-out method) or net realizable value. Donated inventory is recorded at its estimated fair value as of the date of donation.

J. Prepaid Expenses

Prepaid expenses consist of payments made for goods or services that will benefit future periods, including items such as insurance and other prepayments. These amounts are expensed over the periods to which they relate.

K. Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is provided over the estimated useful lives (three to seven years) of the respective assets using the straight-line method. Items not depreciated (primarily the Art Collection) will be carried at cost indefinitely, or until disposal. Repairs and maintenance expenses are charged to operations when incurred and major betterments and replacements are

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capitalized. The current policy is to capitalize acquisitions with a cost in excess of \$5,000.

L. Deferred Revenue

Deferred revenue consists of amounts received in advance for goods or services that will be provided in a future period. This includes conference sponsorships, exhibitor fees, registration fees, and advertising fees received in advance of the applicable event or publication. Revenue is recognized when the related event occurs or the advertisement is published, in accordance with FASB ASC 606.

M. Revenue Recognition

Revenue is recognized in accordance with FASB ASC 958-605 for contributions and ASC 606 for exchange transactions.

Conditional Contributions and Grants—Grants and contributions that include both a measurable performance barrier and a right of return (or right of release) are considered conditional and are not recognized as revenue until the conditions have been substantially met. This includes most federal grants, which are cost-reimbursement in nature. As of December 31, 2024 and 2023, there were no outstanding conditional contributions.

Contributions and Unconditional Grants—Contributions, including unconditional promises to give, are recognized as revenue when received or when the promise is made, provided the promise is in substance unconditional. Contributions are recorded as either net assets with donor restrictions or net assets without donor restrictions based on the presence or absence of donor-imposed restrictions at the time of recognition. This includes contributed goods and services, which are recognized at fair value when received.

Conference Registrations—Revenue from conference registrations is recognized at a point in time when the related conference occurs. Fees received in advance are recorded as deferred revenue until the conference takes place.

Advertising Revenue—Advertising revenue is recognized over time as advertisements are published, whether in print, online, or in newsletters. Fees received in advance are deferred until the applicable publication date.

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Sponsorships, Exhibitor Fees, and Membership Fees—Sponsorships, exhibitor fees, and membership dues are evaluated to determine whether the payer receives commensurate value in return. When the value received is not commensurate with the fee, the amount is recorded as a contribution. If the payer receives commensurate value (such as advertising, promotional benefits, booth space, or access to member-only goods or services), the amount is treated as exchange revenue and recognized when the related goods or services are provided.

N. Donated Goods and Services

Contributed goods and services are recognized as contribution revenue at their estimated fair value on the date of donation in accordance with FASB ASC 958-605-25-16.

Donated services are recognized if they meet one or both of the following criteria:

- They create or enhance nonfinancial assets, or
- They require specialized skills, are provided by individuals possessing those skills, and would otherwise need to be purchased by the organization.

Donated materials are recorded at their estimated fair value at the date of receipt. Donated goods and services are reported as support without donor restrictions unless the donor explicitly restricts their use.

O. Advertising/Promotion

Advertising/promotion costs are expensed as incurred. For the years ended December 31, 2024 and 2023, advertising expenses were as follows:

	<u>2024</u>	<u>2023</u>
Advertising costs	\$ 4,284	12,008

P. Income Taxes

AISES is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation. AISES follows GAAP, as it relates to uncertain tax positions. Management believes that all activities of AISES are within their tax-exempt purpose, and that there are no uncertain tax positions.

API is a for-profit corporation and is subject to state and federal income taxes. Income taxes are provided for the tax effects of transactions reported in the consolidated

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financial statements and consist of taxes currently due. There are no material deferred tax assets or liabilities. Income tax expenses related to API are included in expenses in the accompanying consolidated financial statements.

AISES files a Federal Form 990 tax return in the U.S. federal jurisdiction. The 990 is also filed with the New Mexico Department of Justice's online charitable registration. The organization is not currently under audit nor has the organization been contacted by any of these jurisdictions. Management believes that they are operating within their tax-exempt purpose.

Q. Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more services provided by the organization. Expenses that can be identified to a specific purpose are charged directly to a program or supporting service according to the natural expenditure classification. All other expenses require allocation on a reasonable basis that is consistently applied. Significant expenses are the following:

Significant Types of Expenses

Salaries, payroll tax, employee benefits

Professional fees, occupancy, travel

Bases for allocation of expenses:

- Direct to program or supporting service
- Allocated based on time-and-effort studies

The functional expense allocation ratios for the years ended December 31 are as follows:

<u>Expense Allocation</u>	<u>2024</u>	<u>2023</u>
Program	75.50%	78.24%
General and admin.	16.60%	16.29%
Fundraising	7.90%	5.47%
	<u>100.00%</u>	<u>100.00%</u>

R. Use of Estimates in Preparing Financial Statements

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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Estimates that are particularly susceptible to significant changes in the near term that could have a material effect on the consolidated financial statements include:

- Allocation of expenses by function to program, administration, and fundraising.
- Depreciation and amortization are based on estimated useful lives of property and equipment, including leased assets.
- Compensated absences payable at year end.
- Calculation of present value of lease liability and right-of-use assets.
- In-kind donations are based on fair value techniques selected by management.

S. Fair Value Measurements and Disclosures

GAAP, as it relates to fair value measurement, 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). All of AISES' investments meet the Level 1 criteria in the fair value hierarchy and therefore, no table of fair measurement information is required.

T. Leases

AISES leases office space and certain office equipment under operating leases. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Lease payments are discounted using AISES's incremental borrowing rate, as the rate implicit in the leases is not readily determinable. Lease terms include options to extend when it is reasonably certain that AISES will exercise those options.

Lease expense is recognized on a straight-line basis over the lease term. AISES' lease agreements do not contain material residual value guarantees or restrictive covenants.

U. Reclassified Amounts

Certain 2023 amounts may have been reclassified to be consistent with the presentation of 2024 amounts.

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V. Subsequent Events

AISES evaluated subsequent events through August 8, 2025, the date the consolidated financial statements were available to be issued. Events providing additional evidence of conditions existing as of December 31, 2024, have been recognized. Events arising after that date that did not exist as of year-end are not recognized.

NOTE 2. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

AISES has a goal to maintain financial assets, which consist of cash and net realizable value of receivables, to meet at a minimum of 60 days of normal operating expenses. For purposes of analyzing resources available to meet general expenditures over a 12-month period, AISES considers all expenditures related to ongoing activities including governance, facilities, regulatory programs, member services, and publications. AISES includes in its consideration those expenditures covered by donor-restricted resources. As part of its liquidity management, excess cash will be invested in liquid income-producing instruments, to the extent that it is allowed by funding agencies.

<u>Current Financial Assets, December 31</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 3,573,815	2,097,371
Investments - current	5,105,011	-
Accounts receivables	813,706	1,664,917
Undrawn lines of credit	350,000	350,000
	<u>9,842,532</u>	<u>4,112,288</u>
Amounts that are donor restricted:		
Net assets with donor restrictions	6,962,715	5,037,994
Less net assets with purpose/time restrictions to be met in less than a year	<u>(6,962,715)</u>	<u>(5,037,994)</u>
	<u>-</u>	<u>-</u>
Current assets available to meet cash needs for general expenditures within one year	<u>\$ 9,842,532</u>	<u>4,112,288</u>

NOTE 3. CASH, RESTRICTED CASH, AND CASH EQUIVALENTS

AISES maintains its cash balances with local financial institutions. These balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per financial institution. At times, AISES' bank deposits may be in excess of FDIC insurance limits. However, management feels the risks related to these balances were within an acceptable range and have not experienced losses in any of these accounts to date.

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AISES had the following amounts in cash and cash equivalents as of December 31:

	<u>2024</u>	<u>2023</u>
UMB Bank		
Checking - Operating	\$ 342,689	385,649
Savings	1,899	1,391,841
Multicurrency Account	7,546	28,812
Checking - Development & Membership	74,127	268,342
Checking - API	6,896	21,896
Money Market	3,139,934	-
Restricted cash	70,786	69,148
Petty cash	724	831
Total	<u>\$ 3,644,601</u>	<u>2,166,519</u>

NOTE 4. INVESTMENTS

AISES' investment balances are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Money market	\$ 38,376	19,116
Fixed income	5,614,254	183,347
Equities	217,472	172,932
Mutual funds	306,618	172,394
Total	<u>\$ 6,176,720</u>	<u>547,789</u>

AISES' investments include U.S. Treasury securities and CDARS deposits with original maturities exceeding 90 days. These are classified as investments rather than cash equivalents.

External investment expenses related to investment activities were \$6,965 and \$4,554 for the years ended December 31, 2024 and 2023, respectively.

Investment Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a counterparty (such as a broker-dealer), AISES may not be able to recover the value of its investments held by that party. AISES mitigates this risk through a formal investment policy emphasizing diversification and preservation of capital.

Cash and securities held in brokerage accounts are protected by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including a limit of \$250,000 for uninvested cash balances. SIPC protection does not cover declines in the value of investments due to market conditions.

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NOTE 5. ENDOWMENT

AISES' endowment consists of donor-restricted funds established to provide annual scholarship funding and one donor-restricted fund supporting general operations. The endowment also includes net assets without donor restrictions that have been designated by the Board of Directors for long-term investment (board-designated endowment).

Net Asset Classification

The endowment includes both:

- Donor-restricted endowment funds, subject to donor-imposed stipulations requiring that the principal be maintained in perpetuity, with investment earnings available for scholarships or general operations as specified by donors.
- Board-designated endowment funds, which represent net assets without donor restrictions set aside by the Board for long-term investment to support operations.

Return Objectives and Risk Parameters

AISES's investment and spending policies are designed to support moderate long-term growth while preserving the purchasing power of endowment assets. The endowment is managed with a target real return of 4% over inflation (as measured by CPI) over a full market cycle (7 years). The investment policy emphasizes diversification across multiple asset classes, including alternative investments, to balance risk and return.

Strategies for Achieving Objectives

AISES employs a diversified investment strategy, allocating assets across equities, fixed income, and alternative investments to achieve risk-adjusted returns over the long term.

Spending Policy

For donor-restricted scholarship endowments, disbursements are governed by donor agreements, including formulas that determine the allowable distribution rate based on a 12-quarter rolling average of the fund's market value as of each December 31.

For board-designated and operational endowments, the maximum annual spending is also calculated based on the 12-quarter average, subject to Board approval.

Distributions are made from endowment earnings, with the objective of maintaining the purchasing power of the endowment. If investment losses reduce an endowment below the

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original gift amount, distributions are suspended until the fund balance recovers to the required level.

As of December 31, 2024 and 2023, AISES had the following endowment net asset composition by type of fund:

	Without Donor	With Donor Restrictions		
	Restrictions	Time/Purpose	Perpetual in Nature	Total
<u>December 31, 2024</u>				
Board-Designated Endowment Funds	\$ 67,613	-	-	67,613
Original Endowment Gift	-	-	640,500	640,500
Subject to Appropriation	-	318,053	-	318,053
Total	<u>\$ 67,613</u>	<u>318,053</u>	<u>640,500</u>	<u>1,026,166</u>
<u>December 31, 2023</u>				
Board-Designated Endowment Funds	\$ 63,846	-	-	63,846
Original Endowment Gift	-	-	141,000	141,000
Subject to Appropriation	-	292,379	-	292,379
Total	<u>\$ 63,846</u>	<u>292,379</u>	<u>141,000</u>	<u>497,225</u>

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

	Without Donor	With Donor Restrictions		
	Restrictions	Time/Purpose	Perpetual in Nature	Total
Endowment Net Assets - 12/31/2022	\$ 48,011	272,724	132,500	453,235
Net Investment Return	17,142	36,952	-	54,094
Contributions	-	-	8,500	8,500
Withdrawals	(1,307)	(17,297)	-	(18,604)
Appropriated Earnings	-	-	-	-
Endowment Net Assets - 12/31/2023	63,846	292,379	141,000	497,225
Net Investment Return	4,421	44,063	-	48,484
Contributions	-	-	499,500	499,500
Withdrawals	(654)	(18,389)	-	(19,043)
Appropriated Earnings	-	-	-	-
Endowment Net Assets - 12/31/2024	<u>\$ 67,613</u>	<u>318,053</u>	<u>640,500</u>	<u>1,026,166</u>

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NOTE 6. RECEIVABLES

Receivables consist of the following as of December 31:

	2024	2023
Grants	\$ 535,023	1,102,171
Other	161,583	217,682
Conference	61,000	-
Trade	56,100	506,072
Total	\$ <u>813,706</u>	<u>1,825,925</u>

NOTE 7. PROPERTY, EQUIPMENT, DEPRECIATION, AMORTIZATION

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

	2023	Additions	Deletions	2024
Art collection	\$ 6,500	-	-	6,500
Leasehold improvements	15,681	-	-	15,681
Intangible	30,471	-	-	30,471
Office	14,410	-	-	14,410
Furniture	17,934	-	-	17,934
Computer	146,621	-	-	146,621
Total	231,617	-	-	231,617
Less: Accumulated depreciation/amortization	(225,117)	-	-	(225,117)
Property and equipment, net	\$ <u>6,500</u>	<u>-</u>	<u>-</u>	<u>6,500</u>

No depreciation or amortization expense was recognized for the years ended December 31, 2024 and 2023, as all of AISES' depreciable assets had been fully depreciated and amortized.

NOTE 8. LEASES – ASC 842

Operating Leases

AISES leases office space and certain office equipment under operating lease agreements with expiration dates through 2030. Lease expense is recognized on a straight-line basis over the lease term.

Right-of-Use Leased Assets and Amortization

The major classes of right-of-use assets and accumulated amortization related to operating and financing leases are as follows as of December 31:

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Right-of-use assets	2023	Increases	Decreases	2024
Office space - operating	\$ 835,742	-	-	835,742
Equipment - financing	19,350	-	-	19,350
Total right-of-use assets	855,092	-	-	855,092
Less accumulated amortization for:				
Office space - operating	(187,533)	(95,689)	-	(283,222)
Equipment - financing	(3,673)	(3,225)	-	(6,898)
Total accumulated amortization	(191,206)	(98,914)	-	(290,120)
Right-of-use assets, net	\$ 663,886	(98,914)	-	564,972

Amortization expense was \$98,914 and \$98,184 for the years ended December 31, 2024 and 2023, respectively.

Lease Liabilities

AISES' lease liabilities are as follows as of December 31:

Lease liabilities	2023	Increases	Decreases	2024
Office space - operating	\$ 687,162	-	(93,323)	593,839
Equipment - financing	15,918	-	(3,048)	12,870
Total lease liabilities	\$ 703,080	-	(96,371)	606,709

During the year, AISES did not recognize any variable payment amounts.

AISES classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2024, is as follows:

Year Ending December 31,	Total
2025	\$ 109,374
2026	111,855
2027	114,561
2028	117,669
2029	102,340
Thereafter	78,240
Undiscounted cash flows	634,039
Less: imputed interest	(27,330)
Total present value of lease liabilities	\$ 606,709

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The following table provides quantitative information concerning AISES' leases.

Lease Costs:

Amortization of ROU assets - finance leases	\$ 3,225
Interest on lease liabilities - finance leases	568
Operating lease cost (cost resulting from lease payments)	<u>105,581</u>
Total lease cost	109,374

Other Information:

Finance lease - operating cash flows	568
Finance lease - financing cash flows	3,047
Operating lease - operating cash flows (fixed payments)	103,214
Operating lease - operating cash flows (liability reduction)	93,323
Weighted average lease term - finance leases	3.86 yrs
Weighted average lease term - operating leases	5.57 yrs
Weighted average discount rate - finance leases	3.95%
Weighted average discount rate - operating leases	1.55%

NOTE 9. DEFERRED REVENUES

Deferred revenues consist of the following as of December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Conference sponsorships	\$ 249,326	222,066	261,841
Scholarships	162,500	-	-
Winds of Change	45,465	10,240	24,953
Other	-	5,000	-
Other event sponsorships	<u>45,535</u>	<u>19,075</u>	<u>-</u>
	<u>\$ 502,826</u>	<u>256,381</u>	<u>286,794</u>

NOTE 10. DEBT

AISES debt obligations consist of the following:

	<u>2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>2024</u>	<u>Current</u>
U.S. SBA Loan - #8205	\$ 145,735	<u>-</u>	<u>(3,754)</u>	<u>141,981</u>	<u>3,836</u>

U.S. SBA Loan—#8205

\$150,000 original loan balance with a 2.75% interest rate, due in monthly installments of \$641, including interest, beginning on September 25, 2021, through September 25, 2050, secured by tangible property.

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The future scheduled maturities of long-term debt and related interest payments are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	3,836	3,857	7,693
2026	3,942	3,750	7,692
2027	4,052	3,640	7,692
2028	4,165	3,527	7,692
2029	4,281	3,411	7,692
Thereafter	121,705	38,228	159,933
	<u>\$ 141,981</u>	<u>56,413</u>	<u>198,394</u>

NOTE 11. LINE OF CREDIT

A promissory note for a revolving line of credit amounting to \$350,000, with a variable interest rate currently set at UMB Bank's prime rate of 8.5%. This note matures on September 14, 2025, and is secured by the underlying cash and investments held with the bank. As of December 31, 2024, the outstanding balance on this line of credit was \$0.

NOTE 12. NET ASSETS WITH DONOR RESTRICTIONS

AISES' net assets with donor restrictions as of December 31 were as follows:

	2023	Additions	Released	Adjustments	2024
Subject to Expenditure for Specified Purpose:					
Cross-cutting Initiative	\$ -	2,027,826	-	-	2,027,826
Scholarships	1,130,370	1,536,819	(1,193,798)	-	1,473,391
Chapter Engagement	-	998,490	(51,234)	-	947,256
Career Support	-	473,684	(230,292)	249,218	492,610
Research	1,566,434	25,000	(1,131,113)	(200,000)	260,321
Student Success	550,698	212,288	(575,023)	60,592	248,555
NAISEF	244,323	283,000	(300,047)	-	227,276
SPRK-ing Interest in Computer Science	311,072	160,500	(320,134)	(29,110)	122,328
Indigenous Coders	199,233	-	(65,178)	-	134,055
Robotics	-	99,457	(68,232)	29,110	60,335
Other	151,393	-	(34,480)	(109,810)	7,103
Summer Camp	-	9,495	(6,593)	-	2,902
Native Financial Cents	451,092	-	(450,888)	-	204
Endowment Subject to Appropriation	292,379	44,063	(18,389)	-	318,053
Endowment Not Subject to Appropriation	141,000	499,500	-	-	640,500
Total Net Assets with Donor Restrictions	<u>\$ 5,037,994</u>	<u>6,370,122</u>	<u>(4,445,401)</u>	<u>-</u>	<u>6,962,715</u>

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NOTE 13. IN-KIND CONTRIBUTIONS

Contributed goods and services are recorded at fair value as of the date of donation. The value of goods received was as follows:

<u>Nonfinancial Asset</u>	<u>2024</u>	<u>2023</u>	<u>Usage in Programs/Activities</u>	<u>Donor Restriction</u>	<u>Fair Value Techniques</u>
PSAs	\$ 1,911,488	1,839,490	Precollege, Educ. and Outreach	None	1
Rent	-	18,000	Strategic initiatives & research	None	1
Supplies	6,954	19,555	Strategic initiatives & research	None	1
Other	-	24,405	Events and leadership	None	1
Total	<u>\$ 1,918,442</u>	<u>1,901,450</u>			

* Legend for Fair Value Techniques

1.- Estimated wholesale prices of identical or similar products/services if purchased in the region

NOTE 14. RETIREMENT PLAN

AISES has established a SIMPLE IRA Plus retirement plan (the Plan). The Plan allows eligible employees to contribute up to the federal maximum amount based on their annual salary and age. In addition, AISES will match 100% of each employee's contribution, up to a limit of 3% of each employee's compensation. All such matching contributions are immediately fully vested. AISES contributed \$109,942 and \$84,873 to the Plan during the years ended December 31, 2024 and 2023, respectively. Simple IRA expenses are included in the Statement of Functional Expenses as part of employee benefits.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Legal Matters

AISES, in the normal course of business, is subject to claims and litigations. Management believes there are no outstanding claims or assessments which would be subject to a material unfavorable outcome and not covered by insurance.

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

	AISES	API	Consolidation	Total
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 3,566,919	6,896	-	3,573,815
Restricted cash	70,786	-	-	70,786
Investments - current	5,105,011	-	-	5,105,011
Receivables - current	813,706	-	-	813,706
Inventory	12,092	-	-	12,092
Prepaid expenses	91,128	-	-	91,128
Total current assets	9,659,642	6,896	-	9,666,538
<i>Noncurrent assets</i>				
Investments - noncurrent	1,078,605	-	(6,896)	1,071,709
Property and equipment, net	6,500	-	-	6,500
Operating right-of-use assets, net	564,972	-	-	564,972
Security deposits	11,440	-	-	11,440
Total noncurrent assets	1,661,517	-	(6,896)	1,654,621
Total assets	\$ 11,321,159	6,896	(6,896)	11,321,159
LIABILITIES AND NET ASSETS				
<i>Current liabilities</i>				
Accounts payable	\$ 389,315	-	-	389,315
Payroll related and compensated absences	350,261	-	-	350,261
Deferred revenues	502,826	-	-	502,826
Current lease liability - operating	100,546	-	-	100,546
Loans payable - current	3,836	-	-	3,836
Total current liabilities	1,346,784	-	-	1,346,784
<i>Noncurrent liabilities</i>				
Agency liabilities	70,786	-	-	70,786
Noncurrent lease liability - operating	506,163	-	-	506,163
Loans payable - noncurrent	138,145	-	-	138,145
Total noncurrent liabilities	715,094	-	-	715,094
Total liabilities	2,061,878	-	-	2,061,878
NET ASSETS				
<i>Without donor restrictions</i>				
AISES	2,228,953	-	-	2,228,953
Board-designated	67,613	-	-	67,613
Total without donor restrictions	2,296,566	-	-	2,296,566
<i>With donor restrictions</i>				
Perpetual in nature	640,500	-	-	640,500
Subject to appropriation	318,053	-	-	318,053
Purpose restrictions	6,004,162	-	-	6,004,162
<i>Retained earnings</i>	-	6,896	(6,896)	-
Total with donor restrictions	6,962,715	6,896	(6,896)	6,962,715
Total net assets	9,259,281	6,896	(6,896)	9,259,281
Total liabilities and net assets	\$ 11,321,159	6,896	(6,896)	11,321,159

See independent auditor's report

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

	AISES	API	Consolidation	Total
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 2,075,475	21,896	-	2,097,371
Restricted cash	69,148	-	-	69,148
Receivables - current	1,679,917	-	(15,000)	1,664,917
Inventory	12,729	-	-	12,729
Prepaid expenses	76,796	-	-	76,796
Total current assets	3,914,065	21,896	(15,000)	3,920,961
<i>Noncurrent assets</i>				
Receivables, noncurrent	161,008	-	-	161,008
Investments	553,989	-	(6,200)	547,789
Property and equipment, net	6,500	-	-	6,500
Operating right-of-use assets, net	663,887	-	-	663,887
Security deposits	11,440	-	-	11,440
Total noncurrent assets	1,396,824	-	(6,200)	1,390,624
Total assets	\$ 5,310,889	21,896	(21,200)	5,311,585
LIABILITIES AND NET ASSETS				
<i>Current liabilities</i>				
Accounts payable	\$ 295,343	15,000	(15,000)	295,343
Payroll related and compensated absences	351,767	-	-	351,767
Deferred revenues	256,381	-	-	256,381
Current lease liability - operating	96,370	-	-	96,370
Loans payable - current	3,736	-	-	3,736
Total current liabilities	1,003,597	15,000	(15,000)	1,003,597
<i>Noncurrent liabilities</i>				
Agency liabilities	69,148	-	-	69,148
Noncurrent lease liability - operating	606,710	-	-	606,710
Loans payable - noncurrent	141,999	-	-	141,999
Total noncurrent liabilities	817,857	-	-	817,857
Total liabilities	1,821,454	15,000	(15,000)	1,821,454
NET ASSETS				
<i>Without donor restrictions</i>				
AISES	(1,612,405)	-	-	(1,612,405)
Board-designated	63,846	-	-	63,846
Noncontrolling interest in API	-	-	696	696
Total without donor restrictions	(1,548,559)	-	696	(1,547,863)
<i>With donor restrictions</i>				
Perpetual in nature	141,000	-	-	141,000
Subject to appropriation	292,379	-	-	292,379
Purpose restrictions	4,604,615	-	-	4,604,615
<i>Retained earnings</i>	-	6,896	(6,896)	-
Total with donor restrictions	5,037,994	6,896	(6,896)	5,037,994
Total net assets	3,489,435	6,896	(6,200)	3,490,131
Total liabilities and net assets	\$ 5,310,889	21,896	(21,200)	5,311,585

See independent auditor's report

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	AISES	API	Consolidation	Total
REVENUE, SUPPORT, AND GAINS				
Corporate	\$ 6,891,747	-	-	6,891,747
In-kind	1,918,442	-	-	1,918,442
Grants - Federal	1,496,333	-	-	1,496,333
Foundation	323,777	-	-	323,777
Nonprofit/tribes	728,203	-	-	728,203
State and other	1,058,850	-	-	1,058,850
Conference registration and events	597,934	-	-	597,934
Advertising income	219,850	-	-	219,850
Individual	7,065,602	-	-	7,065,602
Educational institute	284,052	-	-	284,052
Membership fees	163,861	-	-	163,861
Net investment income	316,033	-	-	316,033
Other	2,597	-	-	2,597
Total revenue, support, and gains	21,067,281	-	-	21,067,281
EXPENSES AND LOSSES				
Program service expense	11,549,665	-	-	11,549,665
Supporting services expense:				
Management and general	2,539,479	-	-	2,539,479
Fundraising and development	1,208,291	-	-	1,208,291
Total supporting services expense	3,747,770	-	-	3,747,770
Total expenses and losses	15,297,435	-	-	15,297,435
Change in net assets from operations	5,769,846	-	-	5,769,846
Elimination of noncontrolling interest in API	-	-	(696)	(696)
CHANGE IN NET ASSETS	5,769,846	-	(696)	5,769,150
Net assets, beginning of year	3,489,435	6,896	(6,200)	3,490,131
Net assets, end of year	\$ 9,259,281	6,896	(6,896)	9,259,281

See independent auditor's report

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>AISES</u>	<u>API</u>	<u>Consolidation</u>	<u>Total</u>
REVENUE, SUPPORT, AND GAINS				
Corporate	\$ 4,636,479	-	-	4,636,479
In-kind	1,901,450	-	-	1,901,450
Grants - Federal	1,860,897	-	-	1,860,897
Foundation	1,771,424	-	-	1,771,424
Nonprofit/tribes	999,014	-	-	999,014
State and other	848,388	-	-	848,388
Conference registration and events	788,718	-	-	788,718
Advertising income	536,759	-	-	536,759
Individual	281,981	-	-	281,981
Educational institute	189,752	-	-	189,752
Membership fees	143,854	-	-	143,854
Net investment income	104,086	-	-	104,086
Other	10,722	-	-	10,722
Total revenue, support, and gains	<u>14,073,524</u>	<u>-</u>	<u>-</u>	<u>14,073,524</u>
EXPENSES AND LOSSES				
Program service expense	10,312,308	-	-	10,312,308
Supporting services expense:				
Management and general	2,146,632	-	-	2,146,632
Fundraising and development	720,668	-	-	720,668
Total supporting services expense	<u>2,867,300</u>	<u>-</u>	<u>-</u>	<u>2,867,300</u>
Total expenses and losses	<u>13,179,608</u>	<u>-</u>	<u>-</u>	<u>13,179,608</u>
CHANGE IN NET ASSETS	893,916	-	-	893,916
Net assets, beginning of year	<u>2,595,519</u>	<u>6,896</u>	<u>(6,200)</u>	<u>2,596,215</u>
Net assets, end of year	<u>\$ 3,489,435</u>	<u>6,896</u>	<u>(6,200)</u>	<u>3,490,131</u>

See independent auditor's report

**AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Services						
	Editorial/ Adv./ Comm.	Membership & Chapter Management	Events/FP/ Leadership	Precollege Programs	College Programs	Professional Development Programs	Strategic Initiatives & Research
Salaries	\$ 503,732	178,133	547,204	473,196	400,227	95,061	743,417
Payroll taxes	40,081	13,065	42,083	38,211	32,085	7,054	60,006
Employee benefits	50,047	23,230	71,336	47,089	55,536	11,036	87,626
Total personnel expense	593,860	214,428	660,623	558,496	487,848	113,151	891,049
Professional fees	261,887	11,270	420,065	246,699	5,027	2,207	452,167
Awards/gifts and scholarships	2,882	-	140,780	56,795	16,482	1,045	801,980
Participation costs and stipends	-	586	198,159	147,951	-	11,305	293,314
Convention costs	-	-	915,325	-	-	-	-
Travel	33,905	16,670	237,074	133,359	1,494	30,456	94,574
Material and supplies	421	129	23,168	147,106	15,923	495	27,410
Meeting expense	149	(1,000)	6,270	21,812	(408)	8,488	17,577
Printing and copying	57,220	617	32,735	5,206	31	218	-
Computer services and related	32,512	-	31,609	7,445	17	-	288
Amortization - Lease Asset	-	-	-	-	-	-	-
Bank service charges	2,682	-	94,171	-	3	-	-
Credit loss	-	-	-	-	-	-	-
Postage and shipping	27,976	257	4,041	4,472	747	87	352
Occupancy	-	-	-	-	15,921	3,192	-
Dues and subscriptions	24,693	-	1,435	5,847	1,707	2,114	2,455
Telephone and communications	2,704	120	1,215	2,525	1,510	-	1,710
Advertising	2,690	-	1,009	-	-	-	-
Public education	1,911,488	-	-	-	-	-	-
Office expense	-	-	5,112	-	-	-	-
Interest - Lease Liability	-	-	-	-	-	-	-
Total	\$ 2,955,069	243,077	2,772,791	1,337,713	546,302	172,758	2,582,876

See independent auditor's report

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services		Supporting Services				
	Scholarships	Total Program Services	Management & General	Fundraising	Total Supporting Services	Consolidation	2024 Total
Salaries	\$ -	2,940,970	967,678	675,976	1,643,654	-	4,584,624
Payroll taxes	-	232,585	78,094	51,970	130,064	-	362,649
Employee benefits	-	345,900	110,224	62,355	172,579	-	518,479
Total personnel expense	-	3,519,455	1,155,996	790,301	1,946,297	-	5,465,752
Professional fees	-	1,399,322	765,606	186,397	952,003	-	2,351,325
Awards/gifts and scholarships	939,292	1,959,256	29,109	8,151	37,260	-	1,996,516
Participation costs and stipends	-	651,315	-	-	-	-	651,315
Convention costs	-	915,325	73,807	-	73,807	-	989,132
Travel	(213)	547,319	83,738	74,877	158,615	-	705,934
Material and supplies	-	214,652	122,869	4,756	127,625	-	342,277
Meeting expense	-	52,888	9,021	38,917	47,938	-	100,826
Printing and copying	-	96,027	4,955	53,129	58,084	-	154,111
Computer services and related	-	71,871	89,157	7,759	96,916	-	168,787
Amortization - Lease Asset	-	-	98,914	-	98,914	-	98,914
Bank service charges	-	96,856	19,320	4,349	23,669	-	120,525
Credit loss	-	-	4,650	-	4,650	-	4,650
Postage and shipping	-	37,932	4,000	10,384	14,384	-	52,316
Occupancy	-	19,113	40,613	-	40,613	-	59,726
Dues and subscriptions	-	38,251	1,735	26,871	28,606	-	66,857
Telephone and communications	-	9,784	12,447	2,400	14,847	-	24,631
Advertising	-	3,699	585	-	585	-	4,284
Public education	-	1,911,488	-	-	-	-	1,911,488
Office expense	-	5,112	12,497	-	12,497	-	17,609
Interest - Lease Liability	-	-	10,460	-	10,460	-	10,460
Total	\$ 939,079	11,549,665	2,539,479	1,208,291	3,747,770	-	15,297,435

See independent auditor's report

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services						
	Public Education & Comm.	Membership & Chapter Management	Events & Leadership	Precollege Programs	College Programs	Professional Development Programs	Strategic Initiatives & Research
Salaries	\$ 346,962	147,694	391,587	485,694	336,066	116,059	827,030
Payroll taxes	26,668	10,118	30,239	38,720	26,527	8,219	63,656
Employee benefits	38,379	19,637	45,456	47,328	41,627	12,930	87,474
Total personnel expense	412,009	177,449	467,282	571,742	404,220	137,208	978,160
Professional fees	205,681	2,604	297,893	121,790	12,890	2,071	580,632
Awards/gifts and scholarships	24	2,110	74,048	60,144	9,177	2,665	200
Participation costs and stipends	-	450	48,686	176,763	3,993	6,629	693,505
Convention costs	-	-	826,625	-	4,000	1,075	(981)
Travel	2,156	19,716	206,002	110,755	36,581	12,818	95,293
Material and supplies	1,097	5,067	12,480	298,634	5,179	120	55,489
Meeting expense	-	-	29,058	22,864	4,181	2,666	2,629
Printing and copying	45,262	1,672	33,885	6,648	2,514	339	15,656
Computer services and related	6,589	29,199	25,266	1,509	-	-	4,272
Amortization - Lease Asset	-	-	-	-	-	-	-
Bank service charges	1,994	1,908	679	-	-	-	-
Credit loss	-	-	-	-	-	-	-
Postage and shipping	21,354	836	4,611	7,039	316	-	773
Occupancy	-	-	20,120	850	18,286	-	18,000
Dues and subscriptions	1,022	-	7,695	5,655	-	1,178	2,041
Telephone and communications	332	494	884	2,280	660	-	2,125
Advertising	8,307	400	406	775	-	-	-
Public education	1,839,490	-	-	-	-	-	-
Office expense	-	-	2,270	-	-	-	-
Interest - Lease Liability	-	-	-	-	-	-	-
Total	\$ 2,545,317	241,905	2,057,890	1,387,448	501,997	166,769	2,447,794

See independent auditor's report

AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services		Supporting Services				
		Total			Total		2023
	Scholarships	Program	Management	Fundraising	Supporting	Consolidation	Total
		Services	& General		Services		
Salaries	\$ -	2,651,092	1,004,951	315,449	1,320,400	-	3,971,492
Payroll taxes	-	204,147	74,373	24,051	98,424	-	302,571
Employee benefits	-	292,831	98,281	44,248	142,529	-	435,360
Total personnel expense	-	3,148,070	1,177,605	383,748	1,561,353	-	4,709,423
Professional fees	-	1,223,561	443,886	151,940	595,826	-	1,819,387
Awards/gifts and scholarships	841,297	989,665	8,202	3,718	11,920	-	1,001,585
Participation costs and stipends	121,677	1,051,703	529	-	529	-	1,052,232
Convention costs	-	830,719	32	31,562	31,594	-	862,313
Travel	213	483,534	71,637	26,306	97,943	-	581,477
Material and supplies	-	378,066	43,960	2,982	46,942	-	425,008
Meeting expense	-	61,398	19,144	1,952	21,096	-	82,494
Printing and copying	-	105,976	7,079	73,474	80,553	-	186,529
Computer services and related	-	66,835	47,859	8,104	55,963	-	122,798
Amortization - Lease Asset	-	-	98,184	-	98,184	-	98,184
Bank service charges	1	4,582	81,477	13,950	95,427	-	100,009
Credit loss	-	-	45,000	-	45,000	-	45,000
Postage and shipping	-	34,929	2,588	14,169	16,757	-	51,686
Occupancy	-	57,256	43,074	-	43,074	-	100,330
Dues and subscriptions	-	17,591	3,693	7,255	10,948	-	28,539
Telephone and communications	-	6,775	12,754	1,292	14,046	-	20,821
Advertising	-	9,888	1,904	216	2,120	-	12,008
Public education	-	1,839,490	-	-	-	-	1,839,490
Office expense	-	2,270	26,061	-	26,061	-	28,331
Interest - Lease Liability	-	-	11,964	-	11,964	-	11,964
Total	\$ 963,188	10,312,308	2,146,632	720,668	2,867,300		13,179,608

See independent auditor's report

**AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Federal Grantor / Program or Cluster</u>	<u>AL #</u>	<u>Pass-Through Entity Identifying #</u>	<u>Passed Through to Subrecipients</u>	<u>Amount Expended</u>
Research and Development Cluster:				
<u>National Science Foundation</u>				
<i>Direct Programs</i>				
Biological Sciences	* 47.074		\$ 20,801	\$ 464,972
STEM Education (formerly Education and Human Resources)	* 47.076		144,909	429,610
Total National Science Foundation			165,710	894,582
<u>Department of Health and Human Services</u>				
<i>Direct Programs</i>				
Biomedical Research and Research Training	* 93.859		-	32,083
NIH All of Us Research Program	* 93.xxx**		-	334,014
Total Department of Health and Human Services			-	366,097
<u>Department of Agriculture</u>				
<i>Direct Program</i>				
Development of STEM-related Summer Research	* 10.xxx**	AISES-OTR-22-04	-	8,227
Total Research and Development Cluster			165,710	1,268,906
<u>Department of Energy</u>				
<i>Passed through Bonneville Power Administration</i>				
BPA Interns	81.xxx**	00091666	-	60,150
<u>Department of Education</u>				
<i>Direct Programs</i>				
Indian Education -- Special Programs for Indian Children	84.299		-	126,543
<u>Department of Agriculture</u>				
<i>Direct Programs</i>				
Partnership Agreements	10.699		-	25,700
Soil and Water Conservation	10.902		-	15,034
Total Department of Agriculture			-	40,734
Total Expenditures of Federal Awards			165,710	1,496,333
<u>Reconciliation to Financial Statements</u>				
Federal award expenditures reported on the SEFA				\$ 1,496,333
Federal revenues per the Statement of Activities				1,496,333
Difference				\$ -

* Denotes major federal program

** Awarding federal agency did not assign or specify an Assistance Listing Number in the award documents

**AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "SEFA") includes the federal grant activity of AISES and is presented on the accrual basis of accounting, which is the same basis used to prepare the consolidated financial statements. The information in this SEFA is presented in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

NOTE 2. 10% DE MINIMUS INDIRECT COST RATE

AISES did not elect to use the 10% indirect cost rate.

NOTE 3. LOANS

AISES did not expend federal awards related to loans or loan guarantees during the year. In addition, AISES did not have a loan balance outstanding.

NOTE 4. FEDERAL FUNDED INSURANCE

AISES has no federally funded insurance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors and Management of
American Indian Science and Engineering Society
Albuquerque, NM

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("GAGAS"), the consolidated financial statements of the American Indian Science and Engineering Society (AISES), a nonprofit organization, which comprise the consolidated Statement of Financial Position as of December 31, 2024, and the related consolidated Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated August 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered AISES' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of AISES' internal control. Accordingly, we do not express an opinion on the effectiveness of AISES' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

August 8, 2025

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS, continued

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether AISES' consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hinkle & Landers, P.C.

Hinkle + Landers, P.C.

Albuquerque, NM

August 8, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors and Management of
American Indian Science and Engineering Society
Albuquerque, NM

Opinion on Each Major Federal Program

We have audited AISES' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of AISES' major federal programs for the year ended December 31, 2024. AISES' major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, AISES complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("GAGAS"); and the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of AISES and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of AISES' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to AISES' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on AISES' compliance based on our audit. 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, GAGAS, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about AISES' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, GAGAS, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 AISES' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of AISES' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of AISES' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

August 8, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE, continued

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hinkle & Landers, P.C.

Hinkle + Landers, P.C.

Albuquerque, NM

August 8, 2025

**AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

1. Type of auditor’s report issued Unmodified

Internal control over financial reporting:

1. Material weakness(es) identified	None Noted
2. Significant deficiency(ies) identified	None Noted
3. Noncompliance material to financial statements noted	None Noted

Federal Awards

Internal control over major federal programs:

1. Material weakness(es) identified	None Noted
2. Significant deficiencies(s) identified	None Noted

Type of auditor’s report issued on compliance for major federal program Unmodified

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR section 200.516(a)? No

Identification of major federal programs:

AL Number(s)	Name of Federal Program or Cluster	Funding Source
47.074, 47.076, 93.859, 84.299, None Assigned (multiple)	Research and Development Cluster	USDA, HHS, NSF

Dollar threshold used to distinguish between
Type A and Type B programs \$750,000

Auditee qualified as low-risk Auditee? Yes

**AMERICAN INDIAN SCIENCE AND ENGINEERING SOCIETY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

SECTION II AND III—SUMMARY OF FINANCIAL STATEMENT AND FEDERAL AWARD FINDINGS

		Findings		
Reference #	Description	Current or Prior Year Finding	Status of Findings	Type of Finding *
2023-001	Federal Financial Reporting	Prior	Resolved	F, G

CURRENT YEAR

None

* Legend for Type of Findings

Section II - Financial Statement Findings

- A. Material Weakness in Internal Control Over Financial Reporting
- B. Significant Deficiency in Internal Control Over Financial Reporting
- C. Finding that Does Not Rise to the Level of a Significant Deficiency (Other Matters)
Involving Internal Control Over Financial Reporting
- D. Instance of Non-compliance Material to the Financial Statements

Section III - Major Federal Programs

- E. Material Weakness in Internal Control Over Compliance of Federal Awards
- F. Significant Deficiency in Internal Control Over Compliance of Federal Awards
- G. Instance of Noncompliance related to Federal Awards
- H. Instance of Material Non-compliance