
COMMUNITY LIVING CAMPAIGN

FINANCIAL STATEMENTS

June 30, 2024

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2023)

CROSBY & KANEDA

Certified Public Accountants
for Nonprofit Organizations

COMMUNITY LIVING CAMPAIGN

Contents

Independent Auditors' Report	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Statement of Functional Expenses	6
Notes to the Financial Statements	7-13

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Community Living Campaign
San Francisco, California

Opinion

We have audited the accompanying financial statements of Community Living Campaign (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, cash flows and functional expenses, for the year then ended, and the related notes to the financial statements. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Living Campaign as of June 30, 2024, and the changes in 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. 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 the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we: Exercise professional judgment and maintain professional skepticism throughout the audit. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 2, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Crosby + Kaneda CPAs LLP

Alameda, California

March 14, 2025

COMMUNITY LIVING CAMPAIGN

**Statement of Financial Position
June 30, 2023
(With Comparative Totals as of June 30, 2022)**

Assets	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 722,997	\$ 883,675
Accounts receivable	342,865	181,423
Contributions receivable	27,500	50,000
Prepaid expenses and deposits	23,497	31,441
Operating lease - right-of-use asset	311,064	-
Total Assets	<u>\$ 1,427,923</u>	<u>\$ 1,146,539</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 278,417	\$ 273,011
Accrued vacation	132,032	112,134
Deferred revenue	-	46,530
Operating lease liability (Note 3)	313,298	-
Total Liabilities	<u>723,747</u>	<u>431,675</u>
Net Assets		
Without donor restrictions	538,967	437,407
With donor restrictions (Note 6)	165,209	277,457
Total Net Assets	<u>704,176</u>	<u>714,864</u>
Total Liabilities and Net Assets	<u>\$ 1,427,923</u>	<u>\$ 1,146,539</u>

See Notes to the Financial Statements

COMMUNITY LIVING CAMPAIGN

**Statement of Activities
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	Without Donor	With Donor	Total	
	Restrictions	Restrictions	2023	2022
Support and Revenue				
Support				
Government	\$ 3,102,180	\$	\$ 3,102,180	\$ 2,779,504
Foundation and corporate grants	65,849	417,541	483,390	627,352
Donations	23,231		23,231	26,034
Fundraising event, net (Note 7)	23,331		23,331	-
Total Support	<u>3,214,591</u>	<u>417,541</u>	<u>3,632,132</u>	<u>3,432,890</u>
Revenue				
Service fees	213,955		213,955	127,432
Other	19,599		19,599	11,161
Total Revenue	<u>233,554</u>	<u>-</u>	<u>233,554</u>	<u>138,593</u>
Support provided by expiring time and purpose restrictions	<u>529,789</u>	<u>(529,789)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>3,977,934</u>	<u>(112,248)</u>	<u>3,865,686</u>	<u>3,571,483</u>
Expenses				
Program	3,677,785		3,677,785	3,183,857
Management and general	159,861		159,861	204,552
Fundraising	38,728		38,728	27,000
Total Expenses	<u>3,876,374</u>	<u>-</u>	<u>3,876,374</u>	<u>3,415,409</u>
Change in Net Assets	101,560	(112,248)	(10,688)	156,074
Net Assets, beginning of year	<u>437,407</u>	<u>277,457</u>	<u>714,864</u>	<u>558,790</u>
Net Assets, end of year	<u>\$ 538,967</u>	<u>\$ 165,209</u>	<u>\$ 704,176</u>	<u>\$ 714,864</u>

See Notes to the Financial Statements

COMMUNITY LIVING CAMPAIGN

Statement of Cash Flows For the Year Ended June 30, 2023 (With Comparative Totals for the Year Ended June 30, 2022)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in net assets	\$ (10,688)	\$ 156,074
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(161,442)	289,233
Contributions receivable	22,500	(50,000)
Prepaid expenses and deposits	7,944	47,030
Operating lease assets and liabilities	2,234	-
Accounts payable and accrued expenses	5,406	86,727
Accrued vacation	19,898	25,569
Deferred revenue	(46,530)	(15,253)
Net cash provided (used) by operating activities	<u>(160,678)</u>	<u>539,380</u>
Net change in cash and cash equivalents	(160,678)	539,380
Cash and cash equivalents, beginning of year	<u>883,675</u>	<u>344,295</u>
Cash and cash equivalents, end of year	<u><u>\$ 722,997</u></u>	<u><u>\$ 883,675</u></u>

See Notes to the Financial Statements

COMMUNITY LIVING CAMPAIGN

**Statement of Functional Expenses
For the Year Ended June 30, 2023
(With Comparative Totals for the Year Ended June 30, 2022)**

	Program	Management and General	Fundraising	Shared Costs	Total	
					2023	2022
Salaries and wages	\$ 1,368,298	\$ 88,205	\$ 14,624	\$ 100,724	\$ 1,571,851	\$ 1,394,713
Employee benefits	170,617	10,999	1,824	12,559	195,999	177,315
Payroll taxes	119,042	7,674	1,272	8,763	136,751	115,962
Total Personnel	<u>1,657,957</u>	<u>106,878</u>	<u>17,720</u>	<u>122,046</u>	<u>1,904,601</u>	<u>1,687,990</u>
Grants	20,500	-	-	-	20,500	85,500
Accounting	-	29,291	-	-	29,291	28,087
ReServe contracted labor	620,686	-	-	-	620,686	374,274
Fees for service	833,889	5,971	3,385	36,439	879,684	855,761
Supplies and office expenses	116,427	927	3,913	10,565	131,832	133,957
Occupancy	54,808	-	-	76,624	131,432	125,533
Information technology	35,795	1,431	10,400	8,987	56,613	48,661
Travel and meals	36,959	36	184	95	37,274	26,329
Conferences and meetings	22,055	780	-	6,198	29,033	17,395
Advertising and promotion	6,773	1,658	-	-	8,431	5,213
Insurance	740	5,887	-	-	6,627	5,572
Dues, fees and other expense	9,199	661	-	10,510	20,370	21,137
Allocation of shared costs	261,997	6,341	3,126	(271,464)	-	-
Expenses by Function	<u>3,677,785</u>	<u>159,861</u>	<u>38,728</u>	<u>-</u>	<u>3,876,374</u>	<u>3,415,409</u>
Expenses reported on a net basis on Statement of Activities						
Direct donor benefit	-	-	5,087	-	5,087	-
Total Expense	<u>\$ 3,677,785</u>	<u>\$ 159,861</u>	<u>\$ 43,815</u>	<u>\$ -</u>	<u>\$ 3,881,461</u>	<u>\$ 3,415,409</u>

COMMUNITY LIVING CAMPAIGN

Notes to the Financial Statements For the Year Ended June 30, 2024 (With Comparative Totals for the Year Ended June 30, 2023)

NOTE 1: NATURE OF ACTIVITIES

Community Living Campaign (the Organization) is a California nonprofit public benefit corporation incorporated in November 2007. The Organization's mission is to strengthen and mobilize individuals and organizations to assure every person's right to live in the community by leveraging the power of relationships to improve services and support.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions – are resources available to support operations. The only limits on the use of the net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions – are resources that are restricted by a donor for use for a particular purpose or in a particular period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor-imposed restrictions. Net assets restricted for acquisition of building or equipment (or less commonly, the contribution of those net assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless the contributed assets are specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due and therefore are reported as restricted until payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

COMMUNITY LIVING CAMPAIGN

Notes to the Financial Statements For the Year Ended June 30, 2024 (With Comparative Totals for the Year Ended June 30, 2023)

Service Revenue

The Organization recognizes service revenue for managing an SF ReServe program with partner organizations. Revenue is recognized as work is performed on an hourly basis. Amounts are generally billed monthly under the program.

Accounts Receivable

Accounts receivable is primarily unsecured non-interest bearing amounts due from grantors on cost reimbursement or performance grants. The Organization uses historical loss information adjusted for management's expectations about current and future economic conditions and the aging of receivables relative to expected payment dates as the basis to determine expected credit losses. If amounts become uncollectible, they are charged to the valuation allowance for credit losses if any, with any excess amounts charged to expense in the period in which that determination is made. The Organization considers all accounts receivable to be fully collectible at June 30, 2024. Accordingly, no allowance for doubtful accounts was deemed necessary. The Organization expects to collect all accounts receivable within one year.

Contributions Receivable

Contributions receivable, including pledges and grants receivable, are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. The Organization has evaluated the value of the discount and concluded that it was not material for recognition. The Organization considers all contributions receivable to be fully collectible at June 30, 2024. Accordingly, no allowance for doubtful accounts was deemed necessary. If amounts become uncollectible, they are charged to expense in the period in which that determination is made.

Government Support and Receivables

A portion of the Organization's revenue is derived from cost-based agreements with governmental funders which are conditioned upon performance requirements and/or the incurrence of allowable qualifying expenses. The support from these agreements is classified as conditional and revenue and related receivables are recognized as the Organization incurs eligible expenditures. Funds received in advance of expenditure are reported as deferred revenue.

Leases and Right of Use Assets

The Organization leases property and equipment under operating leases. For leases with terms greater than 12 months, the Organization records the related right-of-use assets and lease obligations at the present value of lease payments over the term of the lease. The Organization's leases may include rental escalation clauses and renewal options that are factored into the determination of lease payments when appropriate. The Organization does not separate lease and non-lease components of contracts. As the Organization's leases do not provide a readily determinable implicit interest rate, the Organization uses the risk-free rate commensurate with the respective terms of the leases to discount the lease payments.

COMMUNITY LIVING CAMPAIGN

Notes to the Financial Statements For the Year Ended June 30, 2024 (With Comparative Totals for the Year Ended June 30, 2023)

Income Taxes

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under IRC 501(c)(3) and California RTC 23701(d). The Organization has evaluated its current tax positions as of June 30, 2024 and is not aware of any significant uncertain tax positions for which a reserve would be necessary. The Organization's tax returns are generally subject to examination by federal and state taxing authorities for three and four years, respectively, after they are filed.

Contributed Services

Contributed services are reflected in the financial statements at the fair value of the services received only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. There were no contributed services that met the criteria for recognition as of June 30, 2024.

Estimates

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

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair value of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 - Inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the assets or liability.

The Organization had no assets or liabilities recorded at fair value on June 30, 2024.

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs and maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair value

COMMUNITY LIVING CAMPAIGN

Notes to the Financial Statements For the Year Ended June 30, 2024 (With Comparative Totals for the Year Ended June 30, 2023)

at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives on the property and equipment. The Organization had no property and equipment that met this capitalization policy at June 30, 2024.

Deferred Revenue

Deferred revenue represents funds received in advance of related performance obligations which have not yet been completely fulfilled.

Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions using a reasonable allocation method that is consistently applied as follows:

Salaries and wages, benefits, and payroll taxes are allocated based on activity reports prepared by all personnel.

Occupancy, depreciation, office expenses and supplies, insurance, and other expenses that cannot be directly identified are allocated based on direct expenses associated with each program and supporting activity.

Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgments contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

All expenses and net losses are reported as decreases in net assets without donor restrictions.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which replaces the probable incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses on financial instruments and other commitments to extend credit. The adoption of this update did not have a material impact on the Organization's financial statements.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

COMMUNITY LIVING CAMPAIGN

Notes to the Financial Statements For the Year Ended June 30, 2024 (With Comparative Totals for the Year Ended June 30, 2023)

Reclassifications

Certain accounts in the prior year's summarized information have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

The Organization has evaluated subsequent events and has concluded that as of March 14, 2025, the date that the financial statements were available to be issued, there were no significant subsequent events to disclose.

NOTE 3: OPERATING LEASE LIABILITY

The Organization is party to a lease for office space in San Francisco with a term from January 2023 to December 2027. Future lease commitments were as follows for the years ended June 30:

2025	\$ 75,530
2026	77,795
2027	80,129
2028	40,657
Less amounts representing interest	<u>(21,269)</u>
Total	<u>\$ 252,842</u>
Weighted-average remaining lease term	3.5 years
Weighted-average discount rate	4.5%

Operating lease costs were \$76,713 for the year ended June 30, 2024.

NOTE 4: CONCENTRATIONS

Government Funding

During the year ended June 30, 2024, the Organization received approximately 83% of its support and revenue from governmental entities. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Receivables

Accounts receivable consists principally of amounts due from other nonprofit organizations and government entities. As of June 30, 2024, approximately 94% of the accounts receivable were from one source.

NOTE 5: CONTINGENCIES

Compliance with Award Conditions

Grant awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

COMMUNITY LIVING CAMPAIGN

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

(With Comparative Totals for the Year Ended June 30, 2023)

Sabbaticals

The Organization offers eligible employees up to two months paid sabbatical leave and three months paid sabbatical leave for Executive Directors after seven consecutive years of employment. Sabbatical benefits do not vest, and leave is subject to the financial health of the Organization. Co-Directors retain the discretion to grant or deny requests for sabbatical leave. As of June 30, 2024, the Organization's management has estimated that any costs to the Organization to implement this policy would not be significant, and therefore has not accrued the liability.

NOTE 6: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Future use	\$ 75,000	\$ 151,875
Purpose restricted	<u>124,330</u>	<u>13,334</u>
Total	<u>\$ 199,330</u>	<u>\$ 165,209</u>

NOTE 7: FUNDRAISING EVENT

The Organization held a fundraising event during the year end June 30, 2024. Activity related to the event was as follows:

Admissions	\$ 3,600
Donations and sponsorships	21,300
Less cost of direct benefits to donors	<u>(5,819)</u>
Total	<u>\$ 19,081</u>

NOTE 8: FUNDRAISING EFFORT

The Organization was able to raise \$4,205,902 by spending only \$46,433 on fundraising because the majority of its revenue and support comes from continuing government awards and recurring foundation funding.

NOTE 9: RETIREMENT CONTRIBUTIONS

The Organization has a defined contribution plan as established under Internal Revenue Code Section 403b (the Plan). All full-time employees are eligible for participation in the Plan. The Organization made contributions totaling \$50,160 and \$39,371 during the years ended June 30, 2024 and 2023, respectively.

NOTE 10: CONDITIONAL PROMISES TO GIVE AND INTENTIONS TO GIVE

In addition to the activity reflected on the Organization's statement of activity, the Organization received \$100,000 of conditional promises to give or intentions to give as of June 30, 2024 with further payment based on program performance. The Organization recognizes such promises to give as support once the related conditions are satisfied and expects to collect all funds by June 30, 2025.

COMMUNITY LIVING CAMPAIGN

**Notes to the Financial Statements
For the Year Ended June 30, 2024**

(With Comparative Totals for the Year Ended June 30, 2023)

NOTE 11: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024 are:

Cash and cash equivalents	\$ 405,910
Accounts receivable	45,860
Government receivable	773,565
Less purpose-restricted net assets	<u>(124,330)</u>
Total	<u>\$ 1,101,005</u>

As part of the Organization's liquidity management plan, the Organization forecasts its fund needs and maintains the necessary funds in cash.