

**Audited Financial Statements  
and Other Information**



**May 31, 2024**

**Quigley & Miron**

Assistance League of Diablo Valley  
Audited Financial Statements and Other Information  
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May 31, 2024

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## Independent Auditor's Report

Board of Directors  
**Assistance League of Diablo Valley**  
Walnut Creek, California

### Opinion

We have audited the accompanying financial statements of Assistance League of Diablo Valley (ALDV), a nonprofit organization, which comprise the statement of financial position as of May 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assistance League of Diablo Valley as of May 31, 2024, and the changes in its net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of ALDV 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.

### Other Matter

*Other Information—Detail of Chapter and Assisteens® Activities*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The *Detail of Chapter and Assisteens® Activities* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### 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 ALDV's ability to continue as a going concern for one year after the date that the financial statements are issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

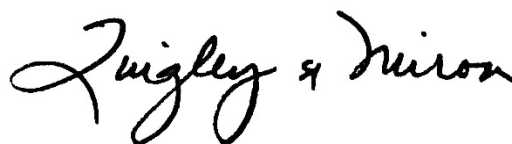
In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ALDV'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 ALDV'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 Assistance League of Diablo Valley's May 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 6, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Assistance League of Diablo Valley  
Statement of Financial Position  
May 31, 2024  
(with comparative totals for 2023)

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash and cash equivalents—Note 3	\$ 247,720	\$ 321,716
Investments—Note 5	1,545,213	1,447,836
Grants and contributions receivable—Note 6	105,503	122,689
Inventory—Note 7	128,499	140,559
Prepaid expenses and other assets	58,608	44,155
Property and equipment, net—Note 8	259,696	280,179
<b>Total Assets</b>	<b><u>\$ 2,345,239</u></b>	<b><u>\$ 2,357,134</u></b>
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued liabilities	\$ 9,773	\$ 5,665
Salaries and employee benefits payable	1,172	2,523
Scholarships payable—Note 9	229,000	252,500
Deferred dues	31,215	32,490
<b>Total Liabilities</b>	<b><u>271,160</u></b>	<b><u>293,178</u></b>
<b>Net Assets</b>		
Without donor restrictions—Note 10	1,887,648	1,817,106
With donor restrictions—Note 11	186,431	246,850
<b>Total Net Assets</b>	<b><u>2,074,079</u></b>	<b><u>2,063,956</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 2,345,239</u></b>	<b><u>\$ 2,357,134</u></b>

See notes to the financial statements.

Assistance League of Diablo Valley  
Statement of Activities  
Year Ended May 31, 2024  
(with summarized comparative totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
<b>Operating Activities</b>				
<b>Revenue and Public Support</b>				
Thrift shop revenue				
Contributions of merchandise	\$ 573,866	\$	\$ 573,866	\$ 544,648
Sales of donated merchandise	570,804		570,804	536,878
Less value of merchandise sold	(570,804)		(570,804)	(534,995)
<b>Thrift Shop Revenue, Net</b>	<b>573,866</b>		<b>573,866</b>	<b>546,531</b>
Fundraising events—Note 12				
Gross revenue	10,824		10,824	9,613
Less cost of direct benefits to donors	(180)		(180)	(518)
<b>Fundraising Events, Net</b>	<b>10,644</b>		<b>10,644</b>	<b>9,095</b>
Membership dues	35,351		35,351	34,497
Interest and dividend income	68,342		68,342	32,655
Grants and contributions	230,112	51,026	281,138	400,412
In-kind contributions—Note 13	13,984		13,984	32,168
Net assets released from restrictions	111,445	(111,445)		
<b>Total Revenue, Public Support, and Releases from Restrictions</b>	<b>1,043,744</b>	<b>(60,419)</b>	<b>983,325</b>	<b>1,055,358</b>
<b>Expenses</b>				
Program services				
Operation School Bell®	417,886		417,886	306,444
Community Needs	144,740		144,740	122,158
Scholarships	233,128		233,128	244,089
<b>Total Program Services</b>	<b>795,754</b>		<b>795,754</b>	<b>672,691</b>
Supporting services				
Management and general	94,297		94,297	102,504
Thrift shop	90,211		90,211	75,186
Membership and fund development	22,180		22,180	20,559
<b>Total Expenses</b>	<b>1,002,442</b>		<b>1,002,442</b>	<b>870,940</b>
<b>Change in Net Assets from Operations</b>	<b>41,302</b>	<b>(60,419)</b>	<b>(19,117)</b>	<b>184,418</b>
<b>Nonoperating Activities</b>				
Investment return, net	29,240		29,240	532
<b>Total Nonoperating Activities</b>	<b>29,240</b>		<b>29,240</b>	<b>532</b>
<b>Change in Net Assets</b>	<b>70,542</b>	<b>(60,419)</b>	<b>10,123</b>	<b>184,950</b>
<b>Net Assets at Beginning of Year</b>	<b>1,817,106</b>	<b>246,850</b>	<b>2,063,956</b>	<b>1,879,006</b>
<b>Net Assets at End of Year</b>	<b>\$ 1,887,648</b>	<b>\$ 186,431</b>	<b>\$ 2,074,079</b>	<b>\$ 2,063,956</b>

See notes to financial statements.

Assistance League of Diablo Valley  
Statement of Functional Expenses  
Year Ended May 31, 2024  
(with summarized comparative totals for 2023)

	Program Services				Supporting Services					2024 Total	2023 Total
	Operation School Bell®	Community Needs	Scholarships	Total Program Services	Management and General	Thrift Shop	Membership and Fund Development	Fundraising Events	Total Supporting Services		
Salaries and benefits	\$ 9,593	\$ 3,029	\$ 7,573	\$ 20,195	\$ 30,293	\$	\$	\$	\$ 30,293	\$ 50,488	\$ 47,762
Value of merchandise sold						570,804			570,804	570,804	534,995
Direct program supplies	379,057	126,744		505,801						505,801	372,368
Scholarships			218,206	218,206						218,206	229,270
Occupancy											
Repairs and maintenance	6,292	4,276	1,845	12,413	7,393	22,289			29,682	42,095	33,494
Utilities	2,686	2,596	1,276	6,558	4,895	18,980			23,875	30,433	30,831
Rent	2,763	5,987	3,353	12,103	12,701	3,772			16,473	28,576	30,790
Insurance	2,248	1,206	456	3,910	1,917	6,000			7,917	11,827	11,170
Property tax					1,169	5,474			6,643	6,643	6,489
Merchandising and fundraising					102	26,305	819		27,226	27,226	8,571
Depreciation	14,763			14,763		5,720			5,720	20,483	18,581
Professional services					18,539				18,539	18,539	31,818
National dues							16,760		16,760	16,760	16,240
Office supplies	332	734	419	1,485	4,359	472			4,831	6,316	5,804
Other insurance					5,013				5,013	5,013	1,256
Membership and hospitality							4,586		4,586	4,586	3,771
Public relations					3,065	1,026			4,091	4,091	2,520
Education and seminars	152	168		320	3,284		15		3,299	3,619	1,003
Other expenses					1,392				1,392	1,392	1,256
Bank and card fees					175	173			348	348	15,808
Cost of direct benefit to donors								180	180	180	518
<b>Total Expenses by Function</b>	<b>417,886</b>	<b>144,740</b>	<b>233,128</b>	<b>795,754</b>	<b>94,297</b>	<b>661,015</b>	<b>22,180</b>	<b>180</b>	<b>777,672</b>	<b>1,573,426</b>	<b>1,404,315</b>
Less expenses included in revenue on statement of activities											
Value of merchandise sold						(570,804)			(570,804)	(570,804)	(534,995)
Cost of direct benefits to donors								(180)	(180)	(180)	(518)
<b>Totals</b>	<b>\$ 417,886</b>	<b>\$ 144,740</b>	<b>\$ 233,128</b>	<b>\$ 795,754</b>	<b>\$ 94,297</b>	<b>\$ 90,211</b>	<b>\$ 22,180</b>	<b>\$</b>	<b>\$ 206,688</b>	<b>\$ 1,002,442</b>	<b>\$ 868,802</b>

See notes to financial statements.

**Assistance League of Diablo Valley**  
**Statement of Cash Flows**  
**Year Ended May 31, 2024**  
**(with comparative totals for 2023)**

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 10,123	\$ 184,950
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	20,483	18,581
Investment gain	(31,393)	(3,208)
Changes in operating assets and liabilities:		
Grants and contributions receivable	17,186	25,722
Inventory	12,060	(25,058)
Prepaid expenses and other assets	(14,453)	29,681
Accounts payable and accrued liabilities	4,108	889
Salaries and employee benefits payable	(1,351)	117
Scholarships payable	(23,500)	36,466
Deferred dues	(1,275)	1,280
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(8,012)</b>	<b>269,420</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment		(26,039)
Proceeds from sales and maturities of investments	1,216,120	816,145
Purchases of investments	(1,282,104)	(1,050,195)
<b>Net Cash Used in Investing Activities</b>	<b>(65,984)</b>	<b>(260,089)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(73,996)</b>	<b>9,331</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>321,716</b>	<b>312,385</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 247,720</b>	<b>\$ 321,716</b>
<b>Supplemental Disclosures</b>		
Income taxes paid	\$	\$
Interest paid	\$	\$

See notes to financial statements.

**Assistance League of Diablo Valley  
Notes to Financial Statements  
May 31, 2024  
(with comparative totals for 2023)**

**Note 1—Organization**

Organization—Assistance League of Diablo Valley (ALDV) is a nonprofit organization, incorporated under the laws of the State of California, and is governed by a volunteer Board of Directors. ALDV is one of the more than 119 chapters of Assistance League, a national nonprofit organization. In 2023-24, over 450 dedicated member volunteers, including the Assisteens® Auxiliary, volunteered over 35,800 hours and touched the lives of over 10,000 people in Contra Costa County communities through its 15 philanthropic programs.

**Caring and Commitment in Action**

ALDV received total revenue and public support of approximately \$983,325 with revenue from Assistance League Thrift Shop of approximately \$573,866.

ALDV provides the following programs:

**Operation School Bell®**

*Clothing*—Provides new clothing for school children in need, referred to ALDV by local school districts.

*R.E.A.D (Read, Enrich, Achieve, Discover)*—Volunteers (ALDV members) read to second grade students and donate books to students, school classrooms and libraries.

*Listen*—Listeners (ALDV members) give teacher-selected 2<sup>nd</sup> grade students the opportunity to practice reading in order to improve their reading skills.

*Elementary Arts Discovery*—Art discovery lessons presented in elementary classrooms by trained ALDV members on selected artistic themes.

*The Kids on the Block*—Children throughout Contra Costa County learn about disabilities, cultural differences, and social problems from this international award-winning, educational support puppet program.

*Sunshine Boxes*—Provides shelf stable food for the weekend to identified students in selected schools in Contra Costa County.

During the year ended May 31, 2024 ALDV provided the following through Operation School Bell® programs:

- **Clothing** provides new clothes for 3,629 students in grades K-12 for a total of over \$200,000
- **R.E.A.D.** read monthly to 1,000 second graders who each also received an end of the year book for a total of \$7,200
- **Listen** purchased books, valued at \$2,500, for the 84 second graders who received weekly one-on-one tutoring
- **Elementary Arts Discovery** engaged 125 school children in educational art units
- **The Kids on the Block** performed educational puppet shows to 1,463 children
- **Sunshine Boxes** donated 500 boxes of weekend food each month from August to May, to families in need, totaling \$128,500

**Community Needs**

*Community Programs*—Allows ALDV to meet a range of community needs.

*Assault Survivor Kits®*—Victims of sexual assault, whose clothing has been damaged or taken as evidence, are provided with essential clothing and hygiene supplies.

*Baby Bags*—New clothing and supplies are provided to babies of mothers determined to be in need or at risk by Contra Costa County Social Services.

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 1—Organization—Continued**

*Food Boxes*—Groceries are provided to CalWorks families who have run out of food at month-end.

*On My Way Kits*—Provide necessary living supplies for foster youth transitioning from standard foster care to supported independence or emancipation.

*Receiving Center Backpacks*—Backpacks with emergency clothing and other supplies are provided to children waiting for placement in the foster care system.

*Senior Year Sponsorships*—Funds for senior year activities are provided to graduating foster youth.

*Telecare*—Daily reassurance calls are made to homebound clients. Gifts and holiday parties are provided annually.

*Outreach*—Provides a flexible, rapid response strategy that addresses specific community needs and on a one-time basis.

During the year ended May 31, 2024 ALDV provided the following through Community Needs programs:

- **Food Boxes** donated 360 boxes of food for a cost of \$26,680 for families on CalWorks
- **On My Way Kits** provided 61 backpacks for foster youth attaining independence at a cost of \$20,615
- **Receiving Center Backpacks** provided backpacks with emergency supplies for 260 foster children and teens in crisis for a cost of \$15,039
- **Senior Year Sponsorships** awarded \$12,000 to 23 foster youth through high school senior year sponsorships
- **TeleCare** made over 5,300 reassurance phone calls to homebound clients
- **Assault Survivor Kits**<sup>®</sup> supplied emergency clothing to 250 survivors of assault for a cost of \$12,834
- **Outreach** supplied clothing and other needs to 26 families for a cost of \$2,000.
- **Baby Bags** assembled 654 baby bags for infants at risk of developmental delays for a cost of \$22,380.

**Scholarships**

*Community College*—Scholarships for community college students transferring to a four-year college or university.

*Foster Youth*—Scholarships for foster youth.

*High School*—Scholarships for high school seniors.

*Specially Funded*—Scholarships for specific, specially funded purposes by external contributions.

During the year ended May 31, 2024, ALDV awarded \$229,000 in scholarships to 58 young adults through their Scholarships programs.

**Fundraising**

ALDV's 16 philanthropic programs in Contra Costa County are supported by Assistance League Thrift Shop, located at 1621 Golden Gate Way in Lafayette; Support Kids, a direct mail fundraiser; GoFundMe; and business and community partnerships, grants, and contributions.

During the year ended May 31, 2024, the Assisteens<sup>®</sup> Auxiliary hosted two holiday parties for teens in crisis, sent cards to homebound seniors, labeled books for schoolchildren, provided snack packs for homeless youth, and made decorations for a local senior care facility. They assisted in areas at ALDV's thrift shop, shopped for clothing for unhoused youth, assembled boxes for chapter's weekend food program, and provided Warmth Packs with warm clothing to homeless and at-risk youth.

## Note 2—Summary of Significant Accounting Policies

Financial Statement Presentation—The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. ALDV recognizes grants and contributions as revenue in the period received. Contributions and net assets are classified on the existence or absence of donor-imposed restrictions. The net assets of ALDV and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of ALDV. These net assets may be used at the discretion of ALDV's management and the board of directors.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; such restrictions that may or will be met either by actions of ALDV and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of such assets permit ALDV to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a time restriction expires or a purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. It is the policy of ALDV to record contributions that are restricted by the donor as an increase in net assets without donor restrictions if the restriction expires in the reporting period recognized.

Measure of Operations—The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of community outreach programs and scholarship funding. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Income Taxes—ALDV is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (Code) and Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the financial statements. In addition, ALDV has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

Accounting standards require an organization to evaluate its tax positions and provide for a liability for any positions that would not be considered 'more likely than not' to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for a tax liability is not necessary at May 31, 2024 and 2023. Generally, ALDV's information returns remain open for examination for a period of three (federal) or four (state of California) years from the date of filing.

Cash and Cash Equivalents—ALDV considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments—Investments in securities are initially recorded at cost, if purchased, or fair market value, if received as a contribution. Subsequent to acquisition, investments in securities are reported at fair value. Investment income, gains and losses are reported as unrestricted income unless use of the earnings is restricted by the donor. Interest and dividend income earned on investments is recognized on an accrual basis and reported as interest and dividend income under revenue, gains, and other support in the statement of activities.

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 2—Summary of Significant Accounting Policies—Continued**

Grants and Contributions Receivable—Grants and contributions receivable are recognized as increases in assets, at net realizable value if they are expected to be collected within one year and at net present value if they are expected to be collected in more than one year. Conditional grants and contributions receivable are recognized when the conditions on which they depend are substantially met.

Inventory—ALDV maintains an inventory of new clothing for use in its Operation School Bell® program which is stated at the lower of cost or market (determined by the first-in, first-out method). ALDV also maintains an inventory of used clothing and household items donated for resale by a thrift shop operated by ALDV, which is stated at its estimated fair value.

Property and Equipment—Land, building, and equipment are stated at cost when purchased, or estimated fair market value at the date of gift or bequest. ALDV depreciates its property and equipment using the straight-line-method over the following estimated useful lives.

Building and improvements	10 to 39 years
Furniture and equipment	5 to 10 years

ALDV follows the practice of capitalizing all expenditures for property in excess of \$2,500.

Deferred Dues—Membership dues and other fees collected prior to the fiscal year to which they apply are deferred and recognized over the period to which the dues and fees relate.

Concentration of Credit Risk—Financial instruments which potentially subject ALDV to concentrations of credit risk consist of cash and cash equivalents, investments in securities, and receivables.

ALDV places its cash and cash equivalents with high credit quality financial institutions where the funds are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. Cash held in investment accounts at investment custodians is insured by the Securities Investors Protection Corporation (SIPC) up to \$250,000 and the investments in securities are insured up to \$500,000. Conservative investment guidelines established by the Board of Directors govern ALDV investments in securities to achieve diversification of the portfolio. SIPC insurance protects the custody function of the investment custodian; it does not provide protection against fluctuations in market value. At times, in the normal course of business, such cash balances are in excess of the FDIC/SIPC insurance limits.

While ALDV is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf, ALDV's management has assessed the credit risk associated with its cash deposits and investments at May 31, 2024 and 2023 and believes it is not exposed to any significant credit risk with its cash and cash equivalents and investments.

Grants and contributions receivable are due from a variety of organizations and individuals well known to ALDV, with favorable past payment histories. ALDV's management has assessed the credit risk associated with these grants and contributions receivable and has determined that a reserve against credit losses is not necessary.

Grants and Contributions—All grants and contributions are considered without donor restrictions unless specifically restricted by the grantor/donor. Grants and contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Note 2—Summary of Significant Accounting Policies—Continued**

Contracts with Customers—Accounting standards require an organization to recognize revenue arising from contracts with customers at the time the customer obtains control of a contracted goods or service. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity’s contracts with customers.

Revenue Recognition—ALDV’s revenue recognition policies are as follows:

Thrift shop revenue—Thrift shop revenue is recognized upon receipt of payment for products sold.

Fundraising events—ALDV conducts special fundraising events in which a portion of the gross proceeds paid by the participants represents payment for the direct cost of benefits received by the participants at the event. The ALDV values such benefits at the actual cost.

Membership dues—Membership dues are recognized as revenue during the period of membership.

Interest and dividend income—Interest and dividend income earned on investments is recognized on an accrual basis and is reported as interest and dividends under revenue and public support in the statement of activities.

Recently Adopted Accounting Principles

Credit Losses—In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, *Credit Losses (Topic 326)*. This standard requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable supportable forecasts. The standard affects organizations that hold financial assets and net investments in leases that are not accounted for at fair value reported in net income, including loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from scope that have the contractual right to receive ALDV has adopted ASU No. 2020-07 for the year ended May 31, 2024 on a retrospective basis, which resulted in no change to revenue previously reported and no effect on revenue reported for the years ended May 31, 2024 and 2023.

Gifts-in-Kind—In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires increased transparency around the use and valuation of contributed nonfinancial assets (also known as gifts-in-kind) received by not-for-profit entities. Under the updated guidance, gifts-in-kind are required to be presented as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, and to be disaggregated in the notes to the financial statements by the category that depicts the type of contributed nonfinancial assets. Additional disclosures are required regarding qualitative information denoting whether the gifts-in-kind were monetized or utilized during the reporting period; the entity’s policy, if any, about monetizing rather than utilizing contributed nonfinancial assets; and the valuation techniques and inputs used to arrive at a fair value measure. ALDV has adopted ASU No. 2020-07 for the year ended May 31, 2023 on a retrospective basis, which resulted in no change to revenue previously reported and no effect on revenue reported for the year ended May 31, 2023.

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 2—Summary of Significant Accounting Policies—Continued**

Leases—In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This standard requires lessees to recognize the assets and liabilities that arise from leases in the statement of financial position. Additionally, in July 2018, FASB issued ASU 2018-11 *Leases (Topic 842)—Targeted Improvements*, which, among other things, provides an additional transition method that would allow entities to not apply the guidance in ASU 2016-02 in the comparative periods presented in the financial statements and instead recognize a cumulative effect adjustment to the opening balance of net assets without donor restrictions in the period of adoption. Since ALDV has no leases with terms longer than one year, the organization adopted ASU 2016-02 for the year ended May 31, 2023 on a prospective basis.

In-Kind Contributions—ALDV records in-kind rent, goods, contributed securities, and services at their fair market value at the date of contribution. In-kind contributions of services are recognized if they (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

As ALDV is a volunteer-managed organization, all of the Chapter's other functions and programs are conducted by unpaid volunteers with the exception of one part-time office employee. Every year, chapter members donate thousands of hours to philanthropic programs, fundraising and administrative services to the Chapter. During the years ended May 31, 2024 and 2023, these volunteers donated approximately 49,787 and 48,830 hours with an estimated value of \$1,667,367 and \$1,504,452, respectively. This value was computed using an estimated hourly rate of \$33.49 and \$30.81, respectively, based upon the average hourly earnings of nonagricultural workers for the time period of May 31, 2024 and 2023, respectively, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, plus 12% for estimated fringe benefits. These donated services are not reflected in the accompanying financial statements as they do not meet the criteria for recognition under current accounting standards.

Allocation of Functional Expenses—The costs of providing the various program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between program services and supporting services benefitted. Occupancy and depreciation are allocated on the basis of square footage. Salaries and benefits are allocated on the basis of estimates of time and effort. All other functional expenses are charged directly to the function they benefit.

Use of Estimates—The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Comparative Totals for 2023—The accompanying financial statements include certain prior-year summarized comparative financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation to conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with ALDV's audited financial statement for the year ended May 31, 2023, from which the summarized information was derived.

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 3—Cash and Cash Equivalents**

Cash and cash equivalents at May 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Chapter checking account	\$ 233,406	\$ 300,941
Chapter money market account	10,030	15,409
Chapter strategic advisor account	4,284	5,366
<b>Total Cash and Cash Equivalents</b>	<b><u>\$ 247,720</u></b>	<b><u>\$ 321,716</u></b>

**Note 4—Availability and Liquidity**

ALDV's goal is generally to maintain financial assets to meet one year of operating expenses (approximately \$715,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts, certificates of deposit, mutual funds, and equities.

The following represents the availability and liquidity of ALDV's financial assets at May 31, 2024 and 2023 to cover operating expenses for the next fiscal year:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 116,694	\$ 147,505
Investments	1,545,213	1,447,836
Grants and contributions receivable	98	50
<b>Current Availability of Financial Assets</b>	<b><u>\$ 1,662,005</u></b>	<b><u>\$ 1,595,391</u></b>

To build upon its past achievements and ensure future sustainability, ALDV has a long-standing policy that requires the board to maintain net assets without donor restrictions sufficient for one year's operating expenses.

Assets held for ALDV's board designed building reserve have been excluded from the total above, although those assets could be undesignated by the board to meet cash needs if necessary.

In addition to the financial assets available noted above, ALDV has other assets that will likely be converted to cash during the normal course of the next fiscal year's operations. Such assets include ALDV's program and thrift shop inventories.

**Note 5—Investments and Fair Value**

In determining the fair value of investments, ALDV utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. ALDV determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are characterized in one of the following levels:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities accessible to ALDV at the measurement date.

Level 2—Valuations based on observable inputs (other than Level 1), such as quoted prices for similar assets at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 5—Investments and Fair Value—Continued**

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement, and involve management judgment.

ALDV may utilize a practical expedient for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value. The practical expedient used by ALDV to value is the Net Asset Value (NAV) per share, or its equivalent. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. ALDV had no assets or liabilities classified at NAV as a practical expedient during the years ended May 31, 2024 and 2023.

Investments measured on a recurring basis at May 31, 2024 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 1,023,834	\$	\$ 1,023,834	\$
Equities	290,135	290,135		
Mutual funds	231,244	231,244		
<b>Totals</b>	<b>\$ 1,545,213</b>	<b>\$ 521,379</b>	<b>\$ 1,023,834</b>	<b>\$</b>

Investments measured on a recurring basis at May 31, 2023 consist of the following:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 970,765	\$	\$ 970,765	\$
Equities	259,088	259,088		
Mutual funds	217,983	217,983		
<b>Totals</b>	<b>\$ 1,447,836</b>	<b>\$ 477,071</b>	<b>\$ 970,765</b>	<b>\$</b>

Investment return for the years ended May 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Realized and unrealized gains	\$ 31,393	\$ 3,208
Investment management fees	(2,153)	(2,676)
<b>Investment Return, Net</b>	<b>29,240</b>	<b>532</b>
Interest and dividend income	68,342	32,655
<b>Total Investment Return</b>	<b>\$ 97,582</b>	<b>\$ 33,187</b>

**Note 6—Grants and Contributions Receivable**

Grants and contributions receivable at May 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Estimated value of remaining Chapter Office lease payments	\$ 130,386	\$ 158,326
Less unamortized discount	(24,981)	(35,687)
<b>Chapter Office Lease Grant Receivable, Net</b>	<b>105,405</b>	<b>122,639</b>
Other	98	50
<b>Totals</b>	<b>\$ 105,503</b>	<b>\$ 122,689</b>

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 6—Grants and Contributions Receivable—Continued**

Grants and contributions receivable at May 31, 2024 and 2023 are due as follows:

	<u>2024</u>	<u>2023</u>
Receivable due in less than one year	\$ 26,677	\$ 26,629
Receivable due in one year to five years	78,826	84,750
Receivable due in greater than five years		11,310
<b>Totals</b>	<b>\$ 105,503</b>	<b>\$ 122,689</b>

In February 1989, ALDV entered into a 40-year operating lease with the City of Walnut Creek, requiring rent of one dollar per year for the use of ALDV’s 3,717 square foot Chapter Office located at the Community Resource Center. The lease grants ALDV with the right to renew the lease for three additional terms of five years each, with the first extension expected to be exercised in February 2029. At May 31, 2024 and 2023, the present value of the building and land lease was \$105,405 and \$122,639, respectively, based on an annual estimated lease expense of \$27,940 and a discount rate of 9.32%.

**Note 7—Inventory**

Inventory at May 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Thrift shop inventory	\$ 68,261	\$ 65,198
Operation School Bell® inventory	57,357	56,221
Receiving Center inventory	1,371	
Assault Survivor Kits inventory	1,199	383
Baby Bags inventory	311	
On My Way inventory		12,810
R.E.A.D. inventory		5,444
Sunshine boxes inventory		349
Warmth packs		154
<b>Totals</b>	<b>\$ 128,499</b>	<b>\$ 140,559</b>

**Note 8—Property and Equipment, Net**

Net property and equipment at May 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Building and improvements	\$ 661,072	\$ 661,072
Land	113,505	113,505
Furniture, fixtures and equipment	69,141	69,141
<b>Total Property and Equipment</b>	<b>843,718</b>	<b>843,718</b>
Less accumulated depreciation	(584,022)	(563,539)
<b>Total Property and Equipment, Net</b>	<b>\$ 259,696</b>	<b>\$ 280,179</b>

Total depreciation expense recorded for the years ended May 31, 2024 and 2023 was \$20,483 and \$18,581, respectively.

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 9—Scholarships Payable**

Future estimated scholarships payable at May 31, 2024 and 2023 amounted to \$229,000 and \$252,500, respectively, payable within one year.

**Note 10—Net Assets without Donor Restrictions**

Net assets without donor restrictions for the years ended May 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Undesignated	\$ 1,837,648	\$ 1,767,106
Board-designated for future capital needs	50,000	50,000
<b>Total Net Assets Without Donor Restrictions</b>	<b><u>\$ 1,887,648</u></b>	<b><u>\$ 1,817,106</u></b>

**Note 11—Net Assets with Donor Restrictions**

Net assets with donor restrictions for the years ended May 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Subject to expenditure for specified purpose:		
Scholarships	\$ 57,040	\$ 70,040
Operation School Bell®—Clothing Program	12,200	6,343
Assisteens® Program	11,758	14,320
Telecare	28	
Sunshine Boxes		27,000
R.E.A.D. Program		3,000
Operation School Bell®—Common Threads		2,908
On My Way		600
<b>Total Subject to Purpose Restrictions</b>	<b><u>81,026</u></b>	<b><u>124,211</u></b>
Subject to time restrictions:		
Chapter Office in-kind lease	105,405	122,639
<b>Total Subject to Time Restrictions</b>	<b><u>105,405</u></b>	<b><u>122,639</u></b>
<b>Total Net Assets with Donor Restrictions</b>	<b><u>\$ 186,431</u></b>	<b><u>\$ 246,850</u></b>

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 11—Net Assets with Donor Restrictions—Continued**

Net assets released from donor restrictions for the years ended May 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Satisfaction of purpose restrictions:		
Scholarships	\$ 40,040	\$ 250
Sunshine Boxes	27,000	
Assisteens® Program	14,320	12,740
Operation School Bell®—Clothing Program	6,343	24,750
R.E.A.D. Program	3,000	1,500
Operation School Bell®—Common Threads	2,908	21,585
On My Way	600	800
Senior year sponsorships		250
<b>Total Satisfaction of Purpose Restrictions</b>	<b>94,211</b>	<b>61,875</b>
Satisfaction of time restrictions:		
Chapter Office in-kind lease	17,234	15,706
General operations		10,066
<b>Total Satisfaction of Time Restrictions</b>	<b>17,234</b>	<b>25,772</b>
<b>Total Net Assets Released from Donor Restrictions</b>	<b>\$ 111,445</b>	<b>\$ 87,647</b>

**Note 12—Fundraising Events Revenue**

ALDV conducts various fundraising events and activities to help fund current operations. Fundraising event activity for the years ended May 31, 2024 and 2023 consists of the following:

	<u>Revenues</u>	<u>Cost of Direct Benefits to Attendees</u>	<u>Event Revenue, Net</u>
<b>2024:</b>			
Assisteens® fashion show	\$ 3,800	\$ (180)	\$ 3,620
Restaurant fundraisers	2,224		2,224
Rental income	1,700		1,700
Assisteens® other fundraisers	1,644		1,644
Amphora Olive Oil fundraiser	826		826
Other miscellaneous	630		630
<b>Totals</b>	<b>\$ 10,824</b>	<b>\$ (180)</b>	<b>\$ 10,644</b>
<b>2023:</b>			
Assisteens® fashion show	\$ 4,479	\$ (518)	\$ 3,961
Macy's fashion show	2,140		2,140
Assisteens® other fundraisers	1,531		1,531
Bingo	960		960
Restaurant fundraisers	369		369
Other miscellaneous	134		134
<b>Totals</b>	<b>\$ 9,613</b>	<b>\$ (518)</b>	<b>\$ 9,095</b>

**Assistance League of Diablo Valley**  
**Notes to Financial Statements—Continued**

**Note 13—In-Kind Contributions**

For the years ended May 31, 2024 2023, in addition to in-kind contributions of merchandise to the thrift shop of \$573,866 and \$544,648, respectively, ALDV recognized the following in-kind contributions:

	<u>2024</u>	<u>2023</u>
Rent	\$ 10,706	\$ 12,234
Contributed securities	2,033	5,272
Direct program supplies—Chapter	840	1,404
Repairs and maintenance	365	
Office supplies	40	10
Professional services		12,868
Merchandising and fundraising		330
Direct program supplies—Assistees®		50
<b>Total In-Kind Contributions</b>	<b>\$ 13,984</b>	<b>\$ 32,168</b>

Professional legal services were provided free for charge at an approximate billing rate of \$600 per hour, based on current rates of legal services provided by a law firm, for an estimated 21.5 hours. Rent is valued at an estimated market rental rate for comparable facilities, at the rate of \$7.52 per square foot annually. Contributed securities are valued at fair market value at time of donation. Direct program supplies, merchandising and fundraising, office supplies, gift cards, repairs and maintenance, and public relations are valued at actual cost incurred by the donor. The organization uses the in-kind direct program supplies, merchandising and fundraising, office supplies, gift cards, repairs and maintenance, and public relations as part of its programs and management and general activities. The in-kind contributions have no donor-imposed restrictions unless otherwise noted.

**Note 14—Subsequent Events**

Management has evaluated subsequent events through March 3, 2025, which is the date the financial statements were available to be issued, and it was concluded that no subsequent events have occurred that would require adjustment to the financial statements or disclosure in the notes to the financial statements.

Assistance League of Diablo Valley  
Other Information – Detail of Chapter and Assisteens® Activities  
Year Ended May 31, 2024  
(with comparative totals for 2023)

	Chapter	Assisteens®	Eliminations	2024 Total	2023 Total
<b>Operating Activities</b>					
<b>Revenue and Public Support</b>					
Thrift shop revenue					
Contributions of merchandise	\$ 573,866	\$	\$	\$ 573,866	\$ 544,648
Sales of donated merchandise	570,804			570,804	536,878
Less value of merchandise sold	(570,804)			(570,804)	(534,995)
<b>Thrift Shop Revenue, Net</b>	<b>573,866</b>			<b>573,866</b>	<b>546,531</b>
Grants and contributions	279,138	6,500	(4,500)	281,138	400,412
In-kind contributions—Note 12	13,984			13,984	32,168
Fundraising events revenue—Note 13					
Gross revenue	5,380	5,444		10,824	9,613
Less cost of direct benefits to donors		(180)		(180)	(518)
<b>Fundraising Events, Net</b>	<b>5,380</b>	<b>5,264</b>		<b>10,644</b>	<b>9,095</b>
Membership dues	33,336	2,015		35,351	34,497
Interest and dividends	68,342			68,342	32,655
<b>Total Revenue and Public Support</b>	<b>974,046</b>	<b>13,779</b>	<b>(4,500)</b>	<b>983,325</b>	<b>1,055,358</b>
<b>Expenses</b>					
Program services					
Operation School Bell®	417,886			417,886	306,444
Community Needs	130,418	14,322		144,740	122,158
Scholarship	233,128			233,128	244,089
<b>Total Program Services</b>	<b>781,432</b>	<b>14,322</b>		<b>795,754</b>	<b>672,691</b>
Supporting services					
Management and general	94,297			94,297	102,504
Thrift shop	94,711		(4,500)	90,211	75,186
Membership and fund development	20,161	2,019		22,180	20,559
<b>Total Expenses</b>	<b>990,601</b>	<b>16,341</b>	<b>(4,500)</b>	<b>1,002,442</b>	<b>870,940</b>
<b>Change in Net Assets from Operations</b>	<b>(16,555)</b>	<b>(2,562)</b>		<b>(19,117)</b>	<b>184,418</b>
<b>Nonoperating Activities</b>					
Investment return, net	29,240			29,240	532
<b>Total Nonoperating Activities</b>	<b>29,240</b>			<b>29,240</b>	<b>532</b>
<b>Change in Net Assets</b>	<b>12,685</b>	<b>(2,562)</b>		<b>10,123</b>	<b>184,950</b>
<b>Net Assets at Beginning of Year</b>	<b>2,061,394</b>	<b>2,562</b>		<b>2,063,956</b>	<b>1,879,006</b>
<b>Net Assets at End of Year</b>	<b>\$ 2,074,079</b>	<b>\$</b>	<b>\$</b>	<b>\$ 2,074,079</b>	<b>\$ 2,063,956</b>

See notes to financial statements.