

Family Caregiver Alliance
(A Nonprofit Corporation)

FINANCIAL REPORT

JUNE 30, 2024 and 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Family Caregiver Alliance
(A Nonprofit Corporation)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Family Caregiver Alliance** (A Nonprofit Organization) which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Family Caregiver Alliance as of June 30, 2024 and 2023, and changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Family Caregiver Alliance 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 opinions.

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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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In performing an audit in accordance with generally accepted auditing standards and *Government 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards, 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 03, 2024 on our consideration of the Organization's 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 solely 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 the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Bowman & Company, CP

Stockton, California
December 03, 2024

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

STATEMENTS OF FINANCIAL POSITION

June 30, 2024 and 2023

ASSETS	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	\$ 153,073	\$ 195,857
Investments	2,768,052	2,925,848
Government grants receivable	1,753,766	1,373,227
Contributions receivable, current portion	918,293	368,839
Contracts receivable	65,000	26,000
Other receivables	10,500	8,750
Prepaid expenses	58,133	63,330
Unbilled contract costs	42,866	12,862
Total current assets	5,769,683	4,974,713
PROPERTY AND EQUIPMENT, net	19,013	24,202
OTHER ASSETS		
Right of use assets, net	1,004,814	1,171,252
Deposits	31,412	24,793
Contributions receivable, less current portion	--	56,431
Total assets	\$ 6,824,922	\$ 6,251,391
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 733,660	\$ 823,310
Right of use asset liability, current portion	161,151	153,772
Total current liabilities	894,811	977,082
LONG TERM LIABILITIES		
Right of use asset liability, less current portion	873,943	1,035,093
Total liabilities	1,768,754	2,012,175
NET ASSETS		
Without donor restrictions	3,934,347	3,719,845
With donor restrictions	1,121,821	519,371
Total net assets	5,056,168	4,239,216
Total liabilities and net assets	\$ 6,824,922	\$ 6,251,391

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

STATEMENTS OF ACTIVITIES

For the Year Ended June 30, 2024

	Without donor restrictions	With donor restrictions	Total
SUPPORT AND REVENUE			
Support			
Government grants	\$ 4,419,548	\$ --	\$ 4,419,548
Contributions	691,862	1,130,272	1,822,134
Release of net assets with donor restrictions	527,822	(527,822)	--
Total support	5,639,232	602,450	6,241,682
Revenue			
Grant contract revenue	42,000	--	42,000
Contract revenue	130,000	--	130,000
Other income	4,260	--	4,260
Investment income (loss)	161,311	--	161,311
Total revenue	337,571	--	337,571
Total support and revenue	5,976,803	602,450	6,579,253
EXPENSES			
Program services	4,875,054	--	4,875,054
Management and general	565,352	--	565,352
Fundraising and development	321,895	--	321,895
Total expenses	5,762,301	--	5,762,301
Change in net assets	214,502	602,450	816,952
Net assets, beginning of year	3,719,845	519,371	4,239,216
Net assets, end of year	\$ 3,934,347	\$ 1,121,821	\$ 5,056,168

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

STATEMENTS OF ACTIVITIES (Cont.)

For the Year Ended June 30, 2023

	Without donor restrictions	With donor restrictions	Total
SUPPORT AND REVENUE			
Support			
Government grants	\$ 3,623,871	\$ --	\$ 3,623,871
Contributions	63,054	183,680	246,734
Release of net assets with donor restrictions	550,487	(550,487)	--
Total support	4,237,412	(366,807)	3,870,605
Revenue			
Grant contract revenue	35,000	--	35,000
Contract revenue	130,000	--	130,000
Other income	4,684	--	4,684
Investment income (loss)	128,738	--	128,738
Total revenue	298,422	--	298,422
Total support and revenue	4,535,834	(366,807)	4,169,027
EXPENSES			
Program services	4,231,392	--	4,231,392
Management and general	547,497	--	547,497
Fundraising and development	67,984	--	67,984
Total expenses	4,846,873	--	4,846,873
Change in net assets	(311,039)	(366,807)	(677,846)
Net assets, beginning of year	4,030,884	886,178	4,917,062
Net assets, end of year	\$ 3,719,845	\$ 519,371	\$ 4,239,216

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2024

	Total Program Services	Management and General	Fundraising and Development	Total Expenses
Salaries	\$ 1,631,342	\$ 349,881	27,763	\$ 2,008,986
Payroll taxes	128,745	27,613	2,191	158,549
Employee benefits	340,738	72,484	5,802	419,024
Alzheimer's Disease Caregiving Legacy Awards	60,000	--	--	60,000
Communications	73,388	16,071	1,037	90,496
Equipment	31,634	6,785	538	38,957
Family support services	1,021,152	--	--	1,021,152
Insurance	12,781	2,741	218	15,740
Occupancy	162,436	32,122	2,549	197,107
Office	52,766	7,557	898	61,221
Postage and delivery	3,400	566	100	4,066
Printing	17,688	--	--	17,688
Program fees and consultants	359,426	140	--	359,566
Strategic development consulting	--	--	280,000	280,000
Publications and translations	64,362	--	--	64,362
Subcontractors	863,149	40,165	727	904,041
Travel and conferences	47,834	8,323	--	56,157
Depreciation	4,213	904	72	5,189
Total expenses by function	4,875,054	565,352	321,895	5,762,301

FAMILY CAREGIVER ALLIANCE
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STATEMENTS OF FUNCTIONAL EXPENSES (Cont.)

For the Year Ended June 30, 2023

	Program Services	Management and General	Fundraising and Development	Total Expenses
Salaries	\$ 1,502,821	\$ 319,881	\$ 18,556	\$ 1,841,258
Payroll taxes	121,773	25,920	1,504	149,197
Employee benefits	357,052	75,546	4,451	437,049
Alzheimer's Disease Caregiving				
Legacy Awards	60,000	--	--	60,000
Communications	108,100	23,251	1,175	132,526
Equipment	38,987	8,299	481	47,767
Family support services	764,346	--	--	764,346
Insurance	12,177	2,592	150	14,919
Occupancy	89,562	29,156	1,691	120,409
Office	34,976	7,842	655	43,473
Postage and delivery	4,651	1,326	100	6,077
Printing	15,080	--	--	15,080
Program fees and consultants	187,818	1,561	30,000	219,379
Publications and translations	23,664	--	--	23,664
Subcontractors	876,851	34,993	377	912,221
Travel and conferences	29,828	16,341	8,798	54,967
Depreciation	3,706	789	46	4,541
Total expenses by function	<u>\$ 4,231,392</u>	<u>\$ 547,497</u>	<u>\$ 67,984</u>	<u>\$ 4,846,873</u>

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2024 and June 30, 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 816,952	\$ (677,846)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	5,189	4,541
Realized and unrealized (gain) loss on investments	(39,161)	(21,234)
Amortization of operating right of use assets	166,438	164,259
Changes in assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	(493,023)	805,452
Government grants receivable	(380,539)	(215,795)
Contracts receivable	(39,000)	--
Other receivables	(1,750)	1,330
Prepaid expenses	5,197	(2,133)
Deposits	(6,619)	6,691
Unbilled contract costs	(30,004)	(12,862)
(Decrease) increase in:		
Accounts payable and accrued expenses	(89,650)	244,856
Deferred rent	--	(43,248)
Right of use liability	(153,771)	(146,646)
Net cash provided by (used in) operating activities	(239,741)	107,365
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	--	(3,119)
Proceeds from sale of investments	2,764,865	1,475,000
Purchases of investments	(2,567,908)	(1,558,698)
Net cash provided by (used in) investing activities	196,957	(86,817)
Net increase (decrease) in cash and cash equivalents	(42,784)	20,548
Cash and cash equivalents, beginning of year	195,857	175,309
Cash and cash equivalents, end of year	\$ 153,073	\$ 195,857

FAMILY CAREGIVER ALLIANCE (A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Organization:

Founded in 1977, Family Caregiver Alliance (FCA) is a California based not-for-profit corporation providing data driven and compassionate knowledge, service and support to family/friend caregivers and adults (onset of disability 18yrs+) living with physical and cognitive impairments, such as Parkinson's, stroke, Alzheimer's, other dementias, Multiple Sclerosis, ALS, and related age-related frailty. Our mission is to improve the quality of life for family caregivers and the people who receive their care. FCA's skilled and experienced staff conduct comprehensive caregiver assessment/care planning, direct care skills education, lead wellness programs, provide stipends to cover purchase of respite care, legal/financial consultation, and therapeutic counseling. Designed in consultation with caregivers, the support, tailored information, and tools help to manage the often emotionally and physically complex responsibilities of caring for a chronically ill loved one.

Recognized as a national model for family caregiver services for adults, FCA collaborated with partners securing legislation to pilot one of the first programs to support family caregivers in the nation. Additional legislation passed in 1984 replicated FCA's service model throughout the state of California to establish a network of 11 Caregiver Resource Centers (CRCs). In 2016 FCA conceived of and built CareNav, a digital caregiver record system and 24-7 service delivery portal, with the goal to improve caregiver access and to reach more caregivers. An expansion of CareNav to all CRCs in 2019 paving the way for the best longitudinal caregiver data set in the nation with over 20K unduplicated records. Here we document the caregivers' experience, the type of help they are seeking, and what services make a difference for their care. Serving caregivers locally with in depth services, while providing information and referral across the US FCA delivers:

- CareNav, a secure online solution for quality information, support, and resources for family caregivers available 24/7.
- The Bay Area Caregiver Resource Center (BA-CRC) providing direct services to six-counties of the San Francisco Bay Area (Alameda, Contra Costa, Marin, San Mateo, San Francisco, Santa Clara).
- Family Caregiver Services by State digital resource map and skilled Caregiver Resource Specialists who connect families, friends to resources and services that they need.
- The National Center on Caregiving uniting research, policy, and practice to advance the development of high-quality, cost-effective programs and policies in every state.
- FCA, in partnership with TEMBO Health, are collaborating on a GUIDE Model of care - a new Medicare program (July 2024) and 8 yr research project designed to attract Medicare Part B, Primary Care and Dementia Care Providers - to offer a comprehensive, standardized care delivery approach for eligible individuals and families.

FCA Highlights:

The California Caregiver Resource Centers (CRC's) are meeting vital caregiver needs across California now more than ever. Thanks to the use of FCA's CareNav portal, accurate data is now available driving more informed service delivery and program improvements.

FAMILY CAREGIVER ALLIANCE
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NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

An interactive client record system and service delivery portal is helping to capture and report CRC care recipient and caregiver data (demographics, care recipient direct care needs, service needs and usage; caregiver assessment information) while significantly increasing the number of ways individuals and families can connect with support. The Caregiver Resource Centers have a broad reach across age, income, and diagnosis of the care recipient to meet caregiving families wherever they are in their caregiving continuum. Established in this way, often overlooked middle-income families who struggle to stay in the workforce and provide care are a key focus for CRC services and support.

Reflecting the Community where we live:

Since its inception, FCA has recognized the geographic, social, and economic diversity of the SF Bay Area where we are located and provides core direct services to those in need. FCA's staff, Board of Directors, and resources (support groups, skill-building classes, written, video and audio content) reflect the clients we serve. To address a learning gap, we created and launched a 4-hr digital training titled, "Improving Practice: Working with Diverse Family Caregivers." Designed for professionals who work with family/friend caregivers, this course includes video interviews from over 40 family caregivers and professionals who serve caregivers documenting the challenges of diverse family caregiving while providing practical tools to use to improve service delivery. This training, found at Learn.caregiver.org was made possible thanks to funding from CalGrows, an initiative of the California Department of Aging.

Best Programs for Caregivers (BPC) Helps to increase access to proven evidenced-based dementia care programs. This easy-to-use, data-rich resource offers community providers, families, and friends who care for someone with dementia with detailed information on 44 proven dementia caregiving programs located across the U.S.

Healthcare, aging, and social service providers will find the option to compare programs by features to help select programs to match their clientele's needs. Included is in-depth information on key research findings and real-world experiences. New this year, family and friend caregivers now have access to a zip code look up feature to locate programs all in one easy place and to get a snapshot of the services provided including eligibility information. BPC is a product of the collaboration among three leading organizations in the field of aging and caregiving: Benjamin Rose Institute on Aging, Center for Research & Education; Family Caregiver Alliance; and The Gerontological Society of America and a newer partner, the Diverse Elders Coalition. Project funders are The John A. Hartford Foundation, Archstone Foundation and RRF Foundation for Aging. BPC communities. To learn more, visit [Best Practice Caregiving](http://BestPracticeCaregiving.org).

Family Caregiver Alliance is proud to offer timely, ready-to-use information and education. With 600+ articles, videos, audio files and resources to help inform and equip caregivers with the information they seek, these resources are free of charge and used by thousands of caregivers and community organizations who download these for their clients.

Most recently we are publishing a new regular series, Smart Caregiving, documenting the most often asked question to our Resource Specialists from across the US.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

A summary of significant accounting policies applied in the preparation of the financial statements follows:

Basis of Accounting:

The financial statements of FCA have been prepared on the accrual basis of accounting.

Basis of Presentation:

FCA is required to report information regarding their financial position and activities according to the following net asset classifications:

Net assets without donor restrictions:

Net assets without donor restrictions are not subject to donor-imposed restrictions, but may be designated for specific purposes by action of the Board of Directors, or otherwise limited by contractual arrangements with outside parties.

Net assets with donor restrictions:

Net assets with donor restrictions are subject to donor-imposed restrictions. FCA reclassifies net assets with donor restrictions to net assets without donor restrictions when it fulfills donor-imposed restrictions through actions FCA takes or the passage of time.

Cash and Cash Equivalents:

FCA considers all unrestricted highly liquid instruments purchased with an initial maturity of three months or less to be cash equivalents. FCA periodically maintains cash on deposit at a bank in excess of the Federal Deposit Insurance Corporation limit. FCA has not experienced any losses in such accounts.

Fair Value of Financial Instruments

The carrying amount of financial instruments, including cash and cash equivalents, contributions receivable, grants receivable, contracts receivable, other receivables, accounts payable and accrued expenses approximate their fair value due to the short-term maturities of these instruments.

The carrying amounts (which are fair value) of long-term investments are based on values provided by quoted market values.

Investments:

FCA carries investments at fair market value. Donated investments are stated at fair market value on the date of donation. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

FAMILY CAREGIVER ALLIANCE
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NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Contributions Receivable:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured at the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Due to the immaterial amount of the calculated discount, FCA has not recorded the discount amount.

Grants Receivable:

Grants receivable consist of amounts due under conditional cost-reimbursement government grants and contracts. All grants receivable are due within in one year.

Contracts Receivable:

Contracts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The FCA provides for losses on contracts receivable using the allowance method. Contracts receivable are considered impaired if principal payments are not received in accordance with contractual terms.

Allowance for Doubtful Accounts:

FCA continually monitors creditworthiness and recognizes allowances for estimated bad debts on receivable accounts that are no longer estimated to be collectible. FCA adjusts any allowance for subsequent collections upon final determination that a receivable is no longer collectible. At June 30, 2024 and 2023, allowance for doubtful accounts on receivables was \$0.

Property and Equipment:

Property and equipment are stated at cost if purchased or at the approximate fair value at the date placed in service, if donated. Depreciation is computed on the straight-line basis over the estimated useful lives:

	<u>Years</u>
Leasehold improvements	7
Equipment	5
Computer software costs	5

It is the policy of FCA to capitalize additions with costs greater than \$2,500.

During the year ended June 30, 2017, FCA completed development of its CareNav (formerly CareJourney) portal for caregivers and counselors. FCA established the technological feasibility of CareNav during September 2016 and released CareNav for sale to customers during February 2017.

FAMILY CAREGIVER ALLIANCE
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NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Property and Equipment (Cont.):

Accordingly, FCA expensed research and development costs related to CareNav before September 2016, expensed maintenance and customer support costs after February 2017 and capitalized costs between September 2016 and February 2017. FCA amortizes its capitalized computer software costs based on the higher of straight-line over five years and in proportion that cumulative sales have to total estimated sales.

Impairment of Long-Lived Assets:

FCA evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate, in management's judgment, that the carrying value of such assets may not be recoverable. The determination of whether long-lived assets are recoverable is based on management's estimate of the sum of the undiscounted future cash flows expected to result from the use and eventual disposition of the long-lived assets, as compared to its carrying value. If the carrying amount of the long-lived assets is greater than the undiscounted cash flows, an impairment loss would be recognized for the amount by which the carrying amount of the assets exceeds its fair value as determined from an appraisal, discounted cash flow analysis, or other valuation technique. There were no impairment losses recognized for the years ended June 30, 2024 and 2023.

Accumulated Vacation:

Accumulated unpaid employee vacation benefits are recognized as liabilities of FCA. The amount of accumulated vacation at June 30, 2024 and 2023 was \$172,385 and \$225,322, respectively.

Accumulated Sick Leave:

Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated employee sick leave benefits are not recognized as liabilities of the agency since payment of such benefits is not probable or estimable. Therefore, sick leave benefits are recorded as expenditures in the period sick leave is taken.

Right of Use Assets and Liabilities:

FCA has implemented the standards issued by the Financial Accounting Standards Board (FASB), Topic Accounting Standards Codification (ASC) 842 *Leases* supersedes the accounting for leases requirements in FASB ASC 840 *Lease*. The guidance requires the recognition of lease assets, called right of use assets, and lease liabilities for operating and financing leases in the statements of financial position. FCA adopted the guidance effective July 1, 2022.

FAMILY CAREGIVER ALLIANCE
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NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Right of Use Assets and Liabilities (Cont.):

FCA recognizes a right of use asset at cost, which comprises the initial amount of the lease liability plus any initial payments and initial direct costs. The right of use asset is amortized using the straight-line method over the earlier of the useful life of the right of use asset or the end of the lease term. The right of use asset is evaluated periodically for impairment losses.

FCA recognizes a lease liability measured at the present value of the scheduled lease payments at the commencement date and reduced using a risk-free discount rate comparable with that of the lease term.

FCA has elected not to recognize right of use assets and lease liabilities for short-term leases with a lease term of 12 months or less and leases of low-value assets. These lease payments are recognized as an expense over the lease term.

Revenue Recognition:

All support is considered available for unrestricted use unless specifically restricted by donor in accordance with ASC Topic 958-605. Support and unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. When a 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 statements of activities as satisfaction of restrictions on net assets with donor restrictions.

Conditional contributions received are accounted for as a refundable advance on the statement of financial position or are unrecognized initially, that is, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions.

All other revenue is recognized when earned based on an exchange of goods and/or services in accordance with ASC Topic 606. Amounts not earned during the reporting period are recognized as deferred revenue on the statements of financial position.

Income Tax Status:

FCA has been granted tax-exempt status by the Internal Revenue Service under IRC Section 501(c)(3) and the California Franchise Tax Board under Section 23701d. FCA is classified by the Internal Revenue Service as an other-than-private foundation. Accordingly, no provision for federal or state income taxes is made in the accompanying financial statements. FCA's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for three years after they were filed.

FAMILY CAREGIVER ALLIANCE
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NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies (Cont.)

Functional Expenses:

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among program services management and general and fundraising costs. Such allocations are determined by management on an equitable basis. Expenses directly attributable to a specific functional are reported as expenses of those functional activities.

<u>Expense</u>	<u>Method Of Allocation</u>
Salaries and benefits	Time and effort
Subcontractors and outside services	Time and effort
Travel and conferences	Time and effort
Occupancy	Full time equivalent
Office supplies	Full time equivalent
Program supplies	Time and effort

Nature of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Accounting Pronouncements:

Effective for the fiscal year beginning July 1, 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, Financial Instruments – Credit Losses (Topic 326), as amended. The ASU introduces new credit loss methodology, Current Expected Credit Losses (CECL), which requires the recognition of credit losses, while also providing additional transparency about credit risk. The CECL methodology utilizes a lifetime “expected credit loss” measurement objective for the recognition of credit losses for held to maturity securities and other receivables at the time the financial asset is originated or acquired. The methodology replaces the multiple existing impairment methods. On July 1, 2023, the Organization evaluated the adoption of the ASU and determined that the standard did not have an impact on cumulative net assets and did not have a material impact on the financial statements or disclosures.

Subsequent Events:

Management has evaluated subsequent events through December 03, 2024, the date on which the financial statements were available to be issued and determined no events or transactions have occurred that require recognition or disclosure to the financial statements.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 2. Availability and Liquidity

FCA liquidity management involves biweekly forecasts of cash flows from operating and investing activities for the following two weeks and quarter. Quarterly, liquidity is reviewed by Executive Director and the Finance Committee of the Board of Directors. As part of its liquidity management, FCA invests cash in excess of daily requirements in a dividend-earning money market mutual fund. In addition, FCA has available a bank credit line to meet short-term cash deficits. The quasi endowment established by the board is available for re-designation at the discretion of the board.

The following represents the FCA's financial assets at June 30:

Current financial assets at year end:	2024	2023
Cash and cash equivalents	\$ 153,073	\$ 195,857
Investments	2,768,052	2,925,848
Government grants receivable	1,753,766	1,373,227
Contributions receivable, current	918,293	368,839
Contracts receivable	65,000	26,000
Other receivables	10,500	8,750
Unbilled contract costs	42,866	12,862
Total current financial assets	5,711,550	4,911,383
Less amounts not available to be used within one year:		
Quasi endowment established by the board	(2,768,052)	(2,925,848)
Financial assets available to meet general expenditures over the next twelve months.	\$ 2,943,498	\$ 1,985,535

Note 3. Investments and Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the 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).

The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1—quoted prices in active markets for identical investments.

Level 2—observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted price for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3—unobservable inputs not corroborated by market data, therefore requiring the entity to use the best information available in the circumstances, including the entity's own data.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 3. Investments and Fair Value Measurements (Cont.)

The categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. All of the cash and cash equivalents and investments invested in marketable securities are deemed to be Level 1 within the valuation hierarchy.

Investments consisted of the following at June 30:

	2024	2023
Cash and cash equivalents	\$ 104,094	\$ 99,380
Federal money market mutual funds	2,266,050	2,474,995
Global equities mutual funds	228,592	198,069
500 index mutual funds	167,086	--
Bond market index mutual funds	--	153,404
Equity securities	2,230	--
Total investments	\$ 2,768,052	\$ 2,925,848

As of June 30, 2024 and 2023, all investments were considered level 1 investments. The long term portion of total investments relates to the portion of the term endowment not available for use with the next year.

Note 4. Endowment

FCA follows FASB ASC 958-205, *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for All Endowment Funds* and the related state of California version of the UPMIFA (CA-UPMIFA).

Endowment funds subject to both FASB ASC 958-205 and CA-UPMIFA include the term endowment. Endowment funds subject to only FASB ASC 958-205 include board designated net assets.

FCA classifies and records net assets associated with endowment funds, including funds designated by the Board of Directors of FCA to function as endowments, based on the existence or absence of donor-imposed restrictions.

The Board of Directors of FCA has interpreted the CA-UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Because of this interpretation, FCA classifies as net assets with donor restrictions the original value of gifts contributed to the permanent endowment, the original value of subsequent gifts to the permanent endowment and accumulation to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 4. Endowment (Cont.)

FCA classifies the expendable portion of the donor-restricted endowment fund as net assets with donor restrictions until the Board of Directors of FCA appropriates those amounts for expenditure by FCA in a manner consistent with the standard of prudence prescribed by CA-UPMIFA. In accordance with CA-UPMIFA, FCA considers various factors to determine whether to appropriate or accumulate donor-restricted endowment funds and incorporates the limitation under California state law of appropriations to seven percent of the fair value of the endowment funds.

Endowment net assets composition by type of fund as of June 30, 2024 is as follow:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total Net Endowment Assets</u>
Quasi endowment designated by the board	\$ 2,768,052	--	\$ 2,768,052
Total endowment funds	<u>\$ 2,768,052</u>	<u>\$ --</u>	<u>\$ 2,768,052</u>

Endowment net assets composition by type of fund as of June 30, 2023 is as follow:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total Net Endowment Assets</u>
Quasi endowment designated by the board	\$ 2,925,848	--	\$ 2,925,848
Total endowment funds	<u>\$ 2,925,848</u>	<u>\$ --</u>	<u>\$ 2,925,848</u>

Changes in endowment net assets for the year ended June 30, 2024 are as follows:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 2,925,848	\$ --	\$ 2,925,848
Investment income (loss)	165,350	--	165,350
Board designated contributions	2,441,719	--	2,441,719
Amounts appropriated for expenditure	<u>(2,764,865)</u>	<u>--</u>	<u>(2,764,865)</u>
Endowment net assets, end of year	<u>\$ 2,768,052</u>	<u>\$ --</u>	<u>\$ 2,768,052</u>

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 4. Endowment (Cont.)

Changes in endowment net assets for the year ended June 30, 2023 are as follows:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 2,776,765	\$ 44,151	\$ 2,820,916
Investment income (loss)	128,174	--	128,174
Board designated contributions	1,451,758	--	1,451,758
Amounts appropriated for expenditure	<u>(1,430,849)</u>	<u>(44,151)</u>	<u>(1,475,000)</u>
Endowment net assets, end of year	<u>\$ 2,925,848</u>	<u>\$ --</u>	<u>\$ 2,925,848</u>

The fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or CA-UPMIFA requires FCA to retain as a fund of perpetual duration. FCA records deficiencies of this nature in net assets with donor restrictions. Deficiencies may result from unfavorable market fluctuations that occur shortly after the investment of new donor restricted contributions and continued appropriation for programs that the Board of Directors of FCA deems prudent. As of June 30, 2024 and 2023, there was no deficiency.

FCA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

The investment policy of FCA provides for diversification, preservation of capital and risk aversion. The long-term financial goal for FCA investments is to provide a relatively stable stream of spendable revenue that increases over time at least as fast as the general rate of inflation, as measured by the Consumer Price Index.

The long-term investment objective for FCA investments is to maximize long-term real (i.e., after inflation) total returns (i.e., yield plus capital appreciation) while moderating fundamental investment risks.

The spending policy of FCA incorporates CA-UPMIFA and consists of a spending rate, approved by the Board of Directors of FCA annually. The spending rate should provide, to the extent practical, a steady stream of income from year to year, consistent with the need to preserve the endowment fund and accounting for the factors incorporated in CA-UPMIFA.

Board designated endowment funds are subject to re-designation at any time, including re-designation as other than endowment funds.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 5. Grants Receivable

Grants receivable totaled as follow at June 30:

	2024	2023
County of Alameda	\$ 342,384	\$ 92,206
State of California	434,641	547,047
County of Contra Costa	354,119	58,270
City and County of San Francisco	366,791	586,947
County of Santa Clara	18,515	13,527
County of San Mateo	135,653	58,360
California Department of Aging	101,663	16,870
Total grants receivable	\$ 1,753,766	\$ 1,373,227

Note 6. Contributions Receivable

Contributions receivable totaled as follow at June 30:

	2024	2023
Bader Philanthropies, Inc.	\$ --	\$ 65,000
LeadingAge	--	27,720
USC WeCare	25,000	--
Fidelity donor advised funds	500,000	--
US Aging	45,000	--
The John A. Hartford Foundation	130,290	100,161
May & Stanley Smith Foundation	70,000	--
Age Forward Foundation	10,000	--
University of Rochester	138,003	232,389
Total contributions receivable	\$ 918,293	\$ 425,270

Note 7. Property and Equipment

Capitalized equipment and software costs totaled as follow at June 30:

	2024	2023
Equipment	\$ 15,309	\$ 15,309
Leasehold improvements	15,738	15,738
Computer software cost	114,919	114,919
Less accumulated depreciation and amortization	(126,953)	(121,764)
Property and equipment, net	\$ 19,013	\$ 24,202

During June 30, 2024 and 2023, depreciation of equipment costs totaled \$5,189 and \$4,541, respectively.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 8. Line of Credit

FCA maintains a \$150,000 revolving unsecured business line of credit from a commercial bank. Amortized principal and fixed interest payments are due monthly on outstanding balance. There was no amount outstanding at June 30, 2024 and 2023.

Note 9. Net Assets

Net assets without donor restrictions consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Undesignated	\$ 1,166,295	\$ 793,997
Board designated	<u>2,768,052</u>	<u>2,925,848</u>
Totals net assets without donor restriction	<u>\$ 3,934,347</u>	<u>\$ 3,719,845</u>

Net assets with donor restrictions reconciled as follow at June 30 2024:

	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
<u>Specific Purpose:</u>				
Capacity building	\$ - -	\$ 50,000	\$ 28,934	\$ 21,066
Family Caregiver Training	38,301	- -	14,349	23,952
Respite and Counseling	55,741	5,000	41,415	19,326
Family Caregiver Clearinghouse	5,907	- -	5,907	- -
Improve Wellness through Technology	1,161	- -	298	863
Innovations in Support and Services	- -	90,000	37,381	52,619
Advancing Engagement of CareNav	64,038	- -	23,927	40,111
Online platform for patients	201,349	- -	89,729	111,620
CareNav and Interface	- -	150,000	6,911	143,089
CareNav Development	- -	50,000	42,824	7,176
Benjamin Rose Institute on Aging	71,492	- -	71,492	- -
Family Caregiver Coalition	- -	20,000	3,375	16,625
Outreach resources and education	- -	129,272	21,221	108,051
Paid Family Leave	6,881	1,000	558	7,323
Intervention for Long-Distance Caregivers	9,501	- -	9,501	- -
<u>Passage of Time:</u>				
Fiscal year 2024/25 support	- -	500,000	- -	500,000
M&S Smith Foundation	- -	70,000	- -	70,000
The Rosalinde and Arthur Gilbert Foundation	- -	65,000	65,000	- -
Bader Philanthropies, Inc.	65,000	- -	65,000	- -
Totals net assets with donor restriction	<u>\$ 519,371</u>	<u>\$ 1,130,272</u>	<u>\$ 527,822</u>	<u>\$ 1,121,821</u>

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 9. Net Assets (Cont.)

Net assets with donor restrictions reconciled as follow at June 30, 2023:

	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
<u>Specific Purpose:</u>				
Dementia Support and Services	\$ 2,194	\$ --	\$ 2,194	\$ --
Respite and Counseling	38,781	18,460	1,500	55,741
Family Caregiver Training	38,301	--	--	38,301
Family Caregiver Clearinghouse	5,907	--	--	5,907
Alzheimer's Caregiving Award	65,000	--	65,000	--
Impacts of Isolation and Loneliness	10,997	--	10,997	--
Covid 19 Emergency	56,367	--	56,367	--
Improve Wellness through Technology	3,046	--	1,885	1,161
Advancing Engagement of CareNav	114,803	--	50,765	64,038
Online platform for patients	232,874	--	31,525	201,349
California Family Caregiver Coalition	15,045	--	15,045	--
Benjamin Rose Institute on Aging	178,712	--	107,220	71,492
Paid Family Leave	--	7,500	619	6,881
Intervention for Long-Distance Caregivers	--	27,720	18,219	9,501
<u>Passage of Time:</u>				
Term Endowment	44,151	--	44,151	--
The Rosalinde and Arthur Gilbert Foundation	80,000	--	80,000	--
Bader Philanthropies, Inc.	--	130,000	65,000	65,000
Totals net assets with donor restriction	<u>\$ 886,178</u>	<u>\$ 183,680</u>	<u>\$ 550,487</u>	<u>\$ 519,371</u>

Note 10. Right of Use Assets and Lease Liabilities

FCA leases office space under a non-cancellable operating lease. The components of the operating lease was as follows at June 30:

	<u>2024</u>	<u>2023</u>
Right of use asset - operating	\$ 1,335,511	\$ 1,335,511
Accumulated amortization of right of use asset	<u>(330,697)</u>	<u>(164,259)</u>
Right of use asset - operating, net	<u>\$ 1,004,814</u>	<u>\$ 1,171,252</u>

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 10. Right of Use Assets and Lease Liabilities (Cont.)

Lease liabilities at year end:

Operating lease liability for office space, monthly payments of \$14,044 and lease termination date of March 2030.	\$	1,035,094	\$	1,188,865
Less current portion		<u>(161,151)</u>		<u>(153,772)</u>
Lease liability - operating, less current portion	\$	<u>873,943</u>	\$	<u>1,035,093</u>

During the year ended June 30, 2024, amortization of right of use asset and accretion of interest expense of \$166,438 and \$16,021, respectively, is included in occupancy on the statement of functional expense. During the year ended June 30, 2023, amortization of right of use asset and accretion of interest expense of \$164,259 and \$18,200, respectively, is included in occupancy on the statement of functional expense. With the adoption of ASC 842 occupancy expense decreased as a result of the change in valuation of deferred right of use liabilities.

As of June 30, 2024 and 2023, the weighted-average remaining lease term in years was 5.67 and 6.67, respectively, and the weighted-average discount was 1.45% for both years.

The aggregate amounts of principal payments due are as follows for the years ending June 30:

2025	\$	174,886		
2026		180,133		
2027		185,537		
2028		191,103		
2029		196,836		
Thereafter		<u>150,926</u>		
		1,079,421		
Less present value discount		<u>(44,327)</u>		
	\$	<u>1,035,094</u>		

Note 11. Retirement Plan

FCA sponsors a salary deferral plan in accordance with the provision of the Internal Revenue Code Section 403(b). The Plan allows for employee elective contributions and for employer matching contributions. Matching contributions are determined annually at the discretion of the Board of Directors of FCA. Employee contributions are 100% vested. Employer contributions vest based on years of service and fully vest after five years of service. During the year ended June 30, 2024 and 2023, FCA matched 25% of the first \$10,000 of eligible employee deferrals. In addition, during the year ended June 30, 2024, an additional discretionary matching contribution of \$33,803 to eligible employees were made to the Plan. During the years ended June 30, 2024 and 2023, FCA matching contributions totaled \$88,145 and \$43,473, respectively.

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

Note 12. Contingencies

FCA's grants and contract activities are subject to inspection and audit by the appropriate funding agencies. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated and, accordingly, FCA has no provision for the possible disallowance of program costs.

Note 13. Concentrations

As of June 30, 2024 and 2023, approximately 68% and 59%, respectively, of government grants receivable and 37% and 48%, respectively, of government grants were provided by one agency.



B O W M A N

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' 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

**Family Caregiver Alliance
(A Nonprofit Corporation)**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Family Caregiver Alliance (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 03, 2024.

Report on Internal Control Over Financial Reporting

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

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 the Organization's 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 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*.

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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 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.

Bowman & Company, LLP

Stockton, California
December 03, 2024



B O W M A N

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors

**Family Caregiver Alliance
(A Nonprofit Corporation)**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Family Caregiver Alliance's compliance of 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 the Organization's major federal programs for the year ended June 30, 2024. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Family Caregiver Alliance 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 June 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 the Organization's 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 the Organization's federal programs.

Auditors' 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 the Organization's 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 generally accepted auditing standards, *Government Auditing Standards*, 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 Family Caregiver Alliance's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 Family Caregiver Alliance's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Family Caregiver Alliance's 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 Family Caregiver Alliance's 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 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 Auditors' 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 have not been 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.

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.

Bowman & Company, LLP

Stockton, California
December 03, 2024

SUPPLEMENTARY INFORMATION

FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2024

Federal or State Grantor/ Program Title/ Pass-Through Grantor	Assistance Listing Number	Award #/ Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Health and Human Services			
<u>National Family Caregiver Support, Title III, Part E</u>			
Pass through State of California,			
County of Alameda	93.052	900175	\$ 130,170
County of Alameda - ARPA	93.052	900175	78,167
County of Contra Costa	93.052	40-412-6	204,429
County of Contra Costa - ARPA	93.052	40-438-0	75,875
County of San Mateo	93.052	57000-FY24-R079795N	198,176
County of San Mateo - ARPA	93.052	57000-FY24 R079428G	100,972
County of San Francisco	93.052	638377/690814	641,686
County of San Francisco - ARPA	93.052	690814	164,457
Pass through Sourcewise - ARPA 2024	93.052	2023SWARP06	31,494
Total National Family Caregiver Support, Title III, Part E			<u>1,625,426</u>
Total Expenditures of Federal Awards			<u>\$ 1,625,426</u>

**FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Cont.)

For the Year Ended June 30, 2024

Note A - Basis of Presentation:

The schedule expenditures of federal awards includes the federal award activity of Family Caregiver Alliance (A Nonprofit Corporation) under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Family Caregiver Alliance, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Family Caregiver Alliance.

Note B – Summary of Significant Accounting Policies:

Expenditures reported on the accompanying schedule are reported on the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements of the federal program. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate:

Family Caregiver Alliance has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note D – Selected Contracts Associated with the California Department of Aging Funded Services:

The sources of funding for contracts with various counties are as follows:

Grantors	Programs	Contract Number	Gross Expenditures	Matching Contributions	Net Expenditures	Federal	County Share	Passed to Subrecipients
U.S. Department of Health and Human Services								
National Family Caregiver Support, Title III, Part E								
Pass through State of California,								
	County of Alameda	900175	\$ 452,920	\$ 203,320	\$ 249,600	\$ 130,170	\$ 119,430	\$ --
	County of Alameda - ARPA	900175	104,223	104,223	78,167	78,167	--	--
	County of Alameda - OARR		21,004	6,387	14,617	--	14,617	--
	County of Contra Costa	40-412-6	362,845	158,416	204,429	204,429	--	--
	County of Contra Costa - ARPA	40-438-0	101,167	25,292	75,875	75,875	--	--
	County of Contra Costa - OARR	40-539-0	65,087	16,272	48,815	--	48,815	--
	County of Contra Costa - Measure X	40-517-0	37,298	12,298	25,000	--	25,000	--
	County of San Mateo	57000-FY24-R079795N	313,139	114,963	198,176	198,176	--	--
	County of San Mateo - ARPA	57000-FY24 R079428G	134,634	33,662	100,972	100,972	--	--
	County of San Mateo - OARR	57000-FY24 R079355B	72,994	6,856	66,138	--	66,138	--
	County of San Francisco	638377/690814	1,276,641	323,024	953,617	641,686	311,931	176,277
	County of San Francisco - ARPA	690814	286,047	6,861	279,186	164,457	114,729	--
	County of San Francisco - OARR	690622	39,912	8,301	31,611	--	31,611	--
	Pass through Sourcewise - MOCA		40,467	23,989	16,478	--	16,478	--
	Pass through Sourcewise - ARPA 2024		51,246	19,752	31,494	31,494	--	--
Total National Family Caregiver Support, Title III, Part E			\$ 3,359,624	\$ 1,063,616	\$ 2,374,175	\$ 1,625,426	\$ 748,749	\$ 176,277

**FAMILY CAREGIVER ALLIANCE
(A Nonprofit Corporation)**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified
Internal control over financial report:
Material weakness(es) identified? _____ yes X no
Significant deficiency identified that is
not considered to be material weakness? _____ yes X none reported
Noncompliance material to financial
statements noted? _____ yes X no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? _____ yes X no
Significant deficiency identified that is
not considered to be material weakness? _____ yes X none reported
Type of auditors' report issued on compliance
for major programs: unmodified
Any audit findings disclosed that are required
to be reported in accordance with 2CFR
Section 200.516(a)? X yes _____ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.052	National Family Caregiver Support

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

Auditee qualified as low-risk auditee? _____ yes X no

Section II - Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Prior Year Federal Award Findings and Questioned Costs

None