NOVOGRADAC & COMPANY LLP®

GREENBELT ALLIANCE/PEOPLE FOR OPEN SPACE, INC.

Financial Statements with Independent Auditor's Report
For the year ended September 30, 2025

Independent Auditor's Report

To the Board of Directors of

Greenbelt Alliance/People for Open Space, Inc.:

Opinion

We have audited the accompanying financial statements of Greenbelt Alliance/People for Open Space, Inc., a California non-profit public benefit organization, which comprise the statement of financial position as of September 30, 2025, 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 Greenbelt Alliance/People for Open Space, Inc. as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Greenbelt Alliance/People for Open Space, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Greenbelt Alliance/People for Open Space, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Greenbelt Alliance/People for Open Space, Inc.'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 Greenbelt Alliance/People for Open Space, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's September 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 9, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Novogradac & Company LLP

Walnut Creek, CA
April 28, 2026

GREENBELT ALLIANCE/PEOPLE FOR OPEN SPACE, INC.
STATEMENT OF FINANCIAL POSITION
September 30, 2025 (with comparative totals for 2024)

	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,968,446	$ 1,284,410
Grants receivable	225,000	401,048
Accounts receivable	457,234	373,025
Prepaid expenses	15,835	13,625
Managed investments - current	345,232	554,575
Total current assets	3,011,747	2,626,683
Deposits	11,828	12,828
Right-of-use asset - lease	138,719	196,892
Managed investments	3,533,991	3,382,971
TOTAL ASSETS	$ 6,696,285	$ 6,219,374
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	$ 109,631	$ 75,145
Accrued payroll liabilities	131,296	185,221
Lease liability - current portion	59,596	56,630
Total current liabilities	300,523	316,996
Lease liability	95,599	159,898
Total liabilities	396,122	476,894
Net assets:		
Without donor restrictions:		
Available for operations	1,579,132	1,431,822
Designated for Quasi Endowment Fund	2,493,679	2,206,120
Total without donor restrictions	4,072,811	3,637,942
With donor restrictions:		
Temporarily restricted	1,169,970	1,047,156
Permanently restricted	1,057,382	1,057,382
Total with donor restrictions	2,227,352	2,104,538
Total net assets	6,300,163	5,742,480
TOTAL LIABILITIES AND NET ASSETS	$ 6,696,285	$ 6,219,374

see accompanying notes

GREENBELT ALLIANCE/PEOPLE FOR OPEN SPACE, INC.
STATEMENT OF ACTIVITIES
For the year ended September 30, 2025 (with comparative totals for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
SUPPORT AND REVENUE				
Contributions:				
Individual contributions	$ 79,562	$ -	$ 79,562	$ 85,792
Workplace giving	6,229	-	6,229	15,911
Major donors	733,487	-	733,487	452,178
Business contributions	210	-	210	-
Foundation grants	118,750	1,153,969	1,272,719	1,119,773
Dedicated donations	92,993	-	92,993	2,972
Event revenue	216,360	-	216,360	406,972
Contracts and other fees:				
Contracts	1,204,167	-	1,204,167	673,385
Net gain (loss) from investment:				
Realized (losses) gains	7,043	-	7,043	(2,531)
Unrealized gains (losses)	196,372	-	196,372	554,842
Interest and dividends	206,994	-	206,994	154,664
Miscellaneous income	7,527	-	7,527	13,285
Net assets released from restrictions	1,031,155	(1,031,155)	-	-
TOTAL SUPPORT AND REVENUE	3,900,849	122,814	4,023,663	3,477,243
EXPENSES				
Program services:				
Greenbelt Alliance operating programs	2,318,472	-	2,318,472	1,555,892
Total program services	2,318,472	-	2,318,472	1,555,892
Supporting services				
Management and general administration	399,763	-	399,763	512,693
Fundraising	747,745	-	747,745	668,285
Total supporting services	1,147,508	-	1,147,508	1,180,978
TOTAL EXPENSES	3,465,980	-	3,465,980	2,736,870
CHANGE IN NET ASSETS	434,869	122,814	557,683	740,373
NET ASSETS, BEGINNING OF YEAR	3,637,942	2,104,538	5,742,480	5,002,107
NET ASSETS, END OF YEAR	$ 4,072,811	$ 2,227,352	$ 6,300,163	$ 5,742,480

see accompanying notes

GREENBELT ALLIANCE/PEOPLE FOR OPEN SPACE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2025 (with comparative totals for 2024)

	Program Services	Supporting Services		2025	2024
	Program	Management and General Administration	Fundraising	TOTAL	TOTAL
Salaries	$ 1,129,951	$ 112,607	$ 543,619	$ 1,786,177	$ 1,652,555
Benefits	234,862	23,405	112,992	371,259	353,842
Occupancy expenses	500	90,750	-	91,250	86,369
Office expenses	19,303	31,854	37,435	88,592	70,782
Contribution	-	-	-	-	5,000
Events exp - fundraising	-	-	36,902	36,902	101,674
Events exp - program	83,789	109	109	84,007	43,587
Meetings, training & travel	34,563	25,990	4,255	64,808	42,591
Professional services	15,909	115,048	9,133	140,090	153,799
Consultants and contractors	799,595	-	3,300	802,895	226,671
TOTAL	$ 2,318,472	$ 399,763	$ 747,745	$ 3,465,980	$ 2,736,870

see accompanying notes

GREENBELT ALLIANCE/PEOPLE FOR OPEN SPACE, INC.

STATEMENT OF CASH FLOWS

For the year ended September 30, 2025 (with comparative totals for 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 557,683	$ 740,373
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Unrealized gains	(198,093)	(555,427)
Amortization of right-of-use assets	58,173	53,596
Decrease (increase) in operating assets:		
Grants receivable	176,048	136,737
Accounts receivable	(84,209)	(279,713)
Prepaid expenses	(2,210)	11,479
Deposits	1,000	(1,000)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	34,486	26,006
Accrued payroll liabilities	(53,925)	105,003
Lease liability	(61,333)	(53,828)
Net cash provided by operating activities	427,620	183,226
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of managed investments	(547,109)	(1,029,762)
Proceeds from sales of investments	803,525	664,289
Net cash provided by (used in) investing activities	256,416	(365,473)
Net increase (decrease) in cash and cash equivalents	684,036	(182,247)
Cash and cash equivalents at beginning of year	1,284,410	1,466,657
Cash and cash equivalents at end of year	$ 1,968,446	$ 1,284,410

see accompanying notes

1. Organization

Greenbelt Alliance/People for Open Space, Inc. (the "Organization") is focused on addressing a major problem facing the Bay Area: we aren't ready for climate change. For over 65 years, Greenbelt Alliance has shaped innovative policies and cultivated relationships across sectors to address how the region grows. The impact of our work can be seen in the communities living in balance with nature and the millions of protected open space acres. Through these decades of experience and coalition-building, we have honed what it takes to navigate – and bring about – transformation. Now, our team of experts is leveraging this legacy to lead an agenda for change so that all Bay Area people and places thrive.

In order to continue to advance our mission and adapt to serve the changing needs of our local communities, Greenbelt Alliance has developed a roadmap and vision through 2028 that lays the groundwork for preserving, protecting, and building resilience throughout this unique landscape.

Operations are primarily supported through grants and contributions. The Organization focuses on the following six main areas:

Connecting People to Nature - Many people lack access to information about the Bay Area's natural places and the solutions they provide to build more climate resilience in ways that equitably benefit ecosystems and communities. Greenbelt Alliance is deepening the connection between humans and the natural world so that communities can leverage nature's many benefits to steward the greenspaces and lands that are critical to thrive.

Investing in Nature - Lands throughout the Bay Area must be protected and thoughtfully managed to strengthen resilience against climate change and advance the implementation of nature-based infrastructure. Unfortunately, the dedicated funding required for this critical work is severely lacking. Greenbelt Alliance is driving planning and coordination efforts to increase investment streams that result in the heightened protection, conservation, and stewardship of open spaces while advancing the use of nature-based solutions in resilience strategies.

1. Organization (continued)

Accelerating Climate Smart Housing Abundance - The Bay Area's soaring housing costs have led to a devastating increase in housing insecurity that ultimately exposes vulnerable populations to the harsh impacts of climate hazards. Greenbelt Alliance is activating environmentalists as advocates for housing as a climate solution while mobilizing housing actors to advocate for new homes in the right places. Our work will increase new homes within existing communities—across all income levels—in ways that reduce greenhouse gas emissions, climate risks, and impacts on the natural environment.

Advancing Watershed Resilience - The Bay Area's shoreline cities are being inundated with water, causing damage to homes and critical infrastructure, while towns further inland grapple with repetitive flooding. One of the biggest challenges is that the people at highest risk of these climate impacts aren't being heard. Greenbelt Alliance is accelerating community awareness and participation in climate adaptation planning by forging relationships between local governments, climate-based organizations, and community members to overcome obstacles and catalyze effective and equitable flood adaptation efforts. Our work will support the jurisdictions at the highest risk of flooding to implement feasible plans that build resilience to inundation.

Living with Wildfire - Extreme wildfire events are growing more frequent every year under a changing climate. This new reality has left communities grappling with how to adapt. Greenbelt Alliance is working in fire-prone areas to promote policies and landscape-scale management strategies to prepare communities for future fires. Our work will equip these places with best practices in land management tactics and establish clear channels of collaboration so that residents and decision makers can have the resources needed to coexist with wildfires.

Governing Nature-Based Resilience - Climate hazards don't stop at municipal boundaries, and our adaptation strategies cannot either. Many municipalities and climate-based organizations lack the capacity to manage much-needed funding from State and Federal programs. Greenbelt Alliance is working to foster the collaboration needed across boundaries to plan, implement, and manage long-term resilience projects. We are facilitating the governance structures, dialogues, coordination, and best practices to strengthen cities and counties working better together—increasing equitable and impactful outcomes.

2. Summary of significant accounting policies and nature of operations

Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

2. Summary of significant accounting policies and nature of operations (continued)

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Basis of presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization 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 may be expended for any purpose in performing the primary objectives of the Organization. The Board of Directors (the "Board") of the Organization's goal is to establish a reserve at an amount equal to approximately 3.5 months of operating expenses (excluding certain activities supported by restricted contributions). The Board has designated portions of this class of net assets, as follows:

- **Designated for Greenbelt Alliance Initiative Fund ("GAIF")** - Represents amounts collected and spent to support ballot initiative campaigns, which are consistent with the Organization's objectives. Additions to this fund come from donor contributions and an allocation of the interest or investment income earned by the Organization (see Note 4).

- **Designated for Quasi Endowment** - Represents amounts set aside by the Board for inclusion in the Organization's endowment fund. These amounts can be removed from the endowment fund at the Board's discretion (see Note 4).

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations. Net assets with donor restrictions consists of resources that are restricted by a donor for a particular purpose or in a particular future period and endowment funds. Endowment funds are net assets subject to donor-imposed stipulations that amounts received be maintained permanently by the Organization. The earnings or losses realized on permanently restricted and Quasi Endowment funds are classified as unrestricted support and revenue. The Board has established specific policies related to these net assets and any earnings or losses (see Note 4).

2. Summary of significant accounting policies and nature of operations (continued)

Cash and cash equivalents

The Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Concentration of credit risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash and cash equivalents and certificates of deposit. The Organization had no uninsured cash or cash equivalents as of September 30, 2025.

Fixed assets and depreciation

Fixed assets are stated at cost at the date of acquisition or fair value at the date of donation in the case of gifts. Depreciation of furniture and equipment is provided over the estimated useful lives of the assets, generally three to five years, using the straight-line method of depreciation. Leasehold improvements are depreciated over the life of the asset or the lease, whichever is shorter.

Contributions and revenue

Contributions are recognized as revenue when they are unconditionally given. Grants represent contributions if resource providers receive no value in exchange for the assets transferred. Contributions are recorded at fair value as net assets without donor restrictions or net assets with donor restrictions, depending on the absence or existence of donor-imposed restrictions as applicable. 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 net assets released from restrictions.

Revenue resulting from special events and other income is recorded when earned.

Pledges of grants or donations are recorded as revenue when they are received in writing. The receivables are recorded net of allowance for estimated uncollectible amounts.

Contract service revenue is recognized when the identified performance obligations under the identified contract are satisfied based on the allocation of the determined transaction price to the performance obligation. Judgment regarding costs incurred to fulfill performance obligations is based on management's interpretation of terms and conditions outlined in the underlying contract.

2. Summary of significant accounting policies and nature of operations (continued)

In-kind contributions

Contributed services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. $0 has been received and recognized during the year ended September 30, 2025.

Functional allocation of expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated to programs and supporting services based on the ratio of each activity's direct staff time to total staff time.

Grants and accounts receivable

Management closely monitors outstanding balances and provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are generally written off through a charge to the valuation allowance and a credit to accounts receivable. As of September 30, 2025, the allowance for doubtful accounts was $0. Unconditional promises to give that are expected to be received in future periods are discounted annually at 5%. The discount on the promises to give for the year ended September 30, 2025 was $0.

Fair value of financial instruments

In accordance with accounting principles generally accepted in the United States of America, the Organization establishes a hierarchal disclosure framework that prioritizes and ranks the level of market price observability used in measuring assets and liabilities reported at fair value. The estimated fair value amounts have been determined using available market information, assumptions, estimates and valuation methodologies. When determining fair value, the Organization considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability.

The fair value hierarchy distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions based on the best information available in the circumstances (unobservable inputs).

2. Summary of significant accounting policies and nature of operations (continued)

Fair value of financial instruments (continued)

The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are readily accessible at the measurement date for identical, unrestricted net assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities. Valuations for assets and liabilities traded in less active dealer or broker markets are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Inputs that are both significant to the fair value measurement and unobservable. Valuations for assets and liabilities are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The following tables present the Organization's investments that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of September 30, 2025:

	September 30, 2025			
	Level 1	Level 2	Level 3	Fair Value Measurements
Assets				
Vanguard funds				
Balanced index fund	$ 3,301,286	$ -	$ -	$ 3,301,286
International stock index fund	232,705	-	-	232,705
Total Vanguard funds	3,533,991	-	-	3,533,991
Charles Schwab funds				
Certificates of deposits	$ 345,232	$ -	$ -	$ 345,232
Total Charles Schwab funds	345,232	-	-	345,232
Total assets	$ 3,879,223	$ -	$ -	$ 3,879,223

2. Summary of significant accounting policies and nature of operations (continued)

Leases

The Organization determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of and to obtain substantially all of the economic benefits from the use of an asset for a period of time in exchange for consideration.

Operating lease right-of use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Organization uses its incremental borrowing rate at the commencement date in determining the present value of lease payments.

The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease agreement does not contain any material residual value guarantees or material restrictive covenants. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Income taxes

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and from California income and franchise taxes under Revenue and Taxation Code Section 23701(d). In addition, the Organization has received a ruling from the Internal Revenue Service that it is not a private foundation. The Organization is registered with the Registry of Charitable Trusts of the Office of the Attorney General of the State of California.

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. The Organization has determined whether any tax positions have met the recognition threshold and has measured the Organization's exposure to those tax positions. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal tax authorities generally have the right to examine and audit the previous three years of tax returns filed. California tax authorities generally have the right to examine and audit the previous four years of tax returns filed. Any interest or penalties assessed to the Organization are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

2. Summary of significant accounting policies and nature of operations (continued)

Comparative financial information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2024, from which the summarized information was derived.

Subsequent events

Subsequent events have been evaluated through April 28, 2026, which is the date the financial statements were available to be issued.

3. Liquidity and availability of financial assets

The following represents the Organization's financial assets at September 30, 2025:

Financial assets	
Cash and cash equivalents	$ 1,968,446
Grants receivable	225,000
Accounts receivable	457,234
Deposits	11,828
Investments	3,879,223
Financial assets, at year end	6,541,731
Less those unavailable for general expenditures within one year due to:	
Total net assets with donor restrictions	(2,227,352)
Financial assets available to meet general expenditures over the next 12 months	$ 4,314,379

The Organization's goal is generally to maintain financial assets to meet 3.5 months of operating expenses. As of September 30, 2025, net assets available for operations totaled $1,579,132. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

4. Net assets with donor restrictions

Net assets with donor restrictions include the following:

	September 30, 2024	Additions	Released	September 30, 2025
Grants with time restrictions:				
General Support	$ 104,125	$ 259,000	$ 143,458	$ 219,667
Accelerating Climate Smart Housing Abundance	382,123	694,469	421,288	655,304
Advancing Watershed Resilience	23,333	33,334	23,334	33,333
Connecting People to Nature	240,000	133,333	205,000	168,333
Governing Nature-Based Resilience	205,000	-	145,000	60,000
Investing in Nature	-	-	-	-
Living with Wildfire	64,205	33,333	64,205	33,333
Total grants with time restrictions	1,018,786	1,153,469	1,002,285	1,169,970
Grants with use restrictions:				
Use restriction	$ 28,370	$ 500	$ 28,870	$ -
Total grants with use restrictions	28,370	500	28,870	-
Permanent endowment funds	1,057,382	-	-	1,057,382
Total net assets with donor restrictions	$ 2,104,538	$ 1,153,969	$ 1,031,155	$ 2,227,352

Net assets with donor restrictions consist of the following restrictions:

Grants with use restrictions – Grants pledged or received that are for a specific purpose are included in this category.

Grants with time restrictions – Grants pledged or received that are for future periods are included in this category.

General Operating Support – Grants were received in support of the Organization's general operating support.

The Organization has established an endowment fund which has 2 components, 1) a permanently restricted endowment (the "Permanent Endowment Fund") established from contributions restricted by donors and, 2) an unrestricted but designated endowment established from Board designated funds (the "Quasi Endowment Fund"). All permanently restricted bequests or gifts received are added to the Permanent Endowment Fund. If bequests are not restricted, the Board has a policy that 75% of such bequests will be designated as Quasi Endowment Funds.

4. Net assets with donor restrictions (continued)

The Quasi Endowment Funds are classified with net assets without donor restrictions. These two funds together are referred to as the Combined Endowment Fund.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act ("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. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, and (b) accumulations 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 (if any). The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies. The following is the Organization's policy with regard to earnings on endowment funds:

Earnings or losses on the Permanent Endowment Fund (including realized or unrealized gains or losses, and interest or dividends) are recorded as unrestricted revenue, and are therefore a component of Net Assets Without Donor Restrictions. Within Net Assets Without Donor Restrictions, the net earnings are classified as Available for Operations or designated as Quasi Endowment based on the following policy established by the Board:

(a) An annual amount equal to 5% annually of the Combined Endowment Fund will be used for operations and classified as available for operations. Any earnings in excess of this amount will be added to the Quasi Endowment Fund.

(b) Any net losses incurred on investments are allocated as a reduction of the Quasi Endowment Fund balance.

4. Net assets with donor restrictions (continued)

In establishing this policy, the Organization considered the long-term expected investment return on its endowment. Combined Endowment Fund assets are invested in a well-diversified asset mix, including equity and debt securities, which is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5% for the year ended September 30, 2025 while growing the fund, if possible. Accordingly, the Organization expects its Combined Endowment Fund assets, over time, to produce an average annual rate of return in excess of 5%. Actual returns in any given year may vary from this amount.

Activity in the Permanent and Quasi Endowment Funds during the year ended September 30, 2025 is summarized as follows:

	Quasi Endowment	Permanent Endowment	Combined Endowment
Balance at September 30, 2024	$ 2,206,120	$ 1,057,382	$ 3,263,502
Investment return:			
Investment income	10,928	-	10,928
Realized and unrealized gains	203,415	-	203,415
Dividend and interest	196,066	-	196,066
5% of combined endowment appropriated for expenditure	(122,850)	-	(122,850)
Balance at September 30, 2025	$ 2,493,679	$ 1,057,382	$ 3,551,061

5. Operating leases

The Organization obtained a new lease on October 11, 2022 for office space in Oakland, expiring through 2027.

Future minimum required rental payments under the lease are as follows:

Year ending September 30,

2026	$	79,563
2027		82,684
2028		6,912
Total lease payments		169,159
Less: imputed interest		(13,964)
Lease liability	$	155,195

Rent expense for the year ended September 30, 2025 was $76,431 which includes $58,173 of right-of-use asset amortization.

6. Subsequent events

Subsequent events have been evaluated through April 28, 2026, which is the date the financial statements were available to be issued.

As of April 28, 2026, accounts receivable of $433,175 was collected.