TACA

THE AUTISM COMMUNITY in ACTION

(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)

FINANCIAL STATEMENTS

DECEMBER 31, 2019

WITH SUMMARY COMPARATIVE INFORMATION FOR 2018

CONTENTS

YH ADVISORS
THE EXEMPT ORG EXPERTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Autism Community in Action:

We have audited the accompanying financial statements of The Autism Community in Action, formerly known as Talk About Curing Autism, (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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Auditors' Responsibility *(continued)*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Autism Community in Action, formerly known as Talk About Curing Autism, as of December 31, 2019, and the changes in its net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited The Autism Community in Action's (formerly known as Talk About Curing Autism) 2018 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 24, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

YH Advisors, Inc.

Huntington Beach, California
October 28, 2020

THE AUTISM COMMUNITY IN ACTION
(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018

	December 31, 2019	December 31, 2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 395,733	$ 701,459
Contributions receivable	63,630	145,822
Accounts receivable	87,897	47,488
Accounts receivable from related parties	8,500	--
Prepaid expenses	97,851	73,453
Investments	257,540	17,383
Total Current Assets	911,151	985,605
PROPERTY AND EQUIPMENT, NET	8,581	18,820
OTHER ASSETS		
Beneficial interest in assets held by community foundation	55,613	25,000
Intangible assets, net	--	5,033
Deposits	8,251	8,251
Total Other Assets	63,864	38,284
TOTAL ASSETS	$ 983,596	$ 1,042,709
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 12,789	$ 19,343
Accrued employee related expenses	66,376	74,511
Deferred revenue	83,023	112,338
Total Current Liabilities	162,188	206,192
COMMITMENTS (NOTE 10)		
TOTAL LIABILITIES	162,188	206,192
NET ASSETS		
Without donor restrictions:		
Undesignated	585,482	483,828
Board designated endowment	55,613	25,000
Total without donor restrictions	641,095	508,828
With donor restrictions	180,313	327,689
TOTAL NET ASSETS	821,408	836,517
TOTAL LIABILITIES AND NET ASSETS	$ 983,596	$ 1,042,709

The accompanying notes are an integral part of these financial statements.

THE AUTISM COMMUNITY IN ACTION
(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARY COMPARATIVE TOTALS FOR 2018

	Without Donor Restrictions	With Donor Restrictions	December 31, 2019	December 31, 2018
REVENUE AND SUPPORT				
Contributions	$ 1,025,255	$ 151,392	$ 1,176,647	$ 1,287,184
In-kind contributions	354,744	--	354,744	236,795
Program revenue	138,987	--	138,987	118,068
Membership dues	26,500	--	26,500	22,340
Investment income	14,620	--	14,620	--
Other income	3,461	--	3,461	2,596
Net assets released from restrictions	298,768	(298,768)	--	--
	1,862,335	(147,376)	1,714,959	1,666,983
SPECIAL EVENTS				
Special events revenue	1,053,632	--	1,053,632	1,043,747
Special events expenses	(421,322)	--	(421,322)	(420,015)
	632,310	--	632,310	623,732
PRODUCT SALES				
Product sales	28,219	--	28,219	12,311
Cost of sales	(22,994)	--	(22,994)	(11,588)
	5,225	--	5,225	723
TOTAL REVENUE AND SUPPORT	2,499,870	(147,376)	2,352,494	2,291,438
EXPENSES				
Program services	1,789,952	--	1,789,952	1,552,009
Supporting services:				
Management and general	174,783	--	174,783	161,731
Fundraising	402,868	--	402,868	349,734
TOTAL EXPENSES	2,367,603	--	2,367,603	2,063,474
CHANGE IN NET ASSETS	132,267	(147,376)	(15,109)	227,964
NET ASSETS AT BEGINNING OF YEAR	508,828	327,689	836,517	608,553
NET ASSETS AT END OF YEAR	$ 641,095	$ 180,313	$ 821,408	$ 836,517

The accompanying notes are an integral part of these financial statements.

THE AUTISM COMMUNITY IN ACTION
(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARY COMPARATIVE TOTALS FOR 2018

	Program Services	Management and General	Fundraising	December 31, 2019	December 31, 2018
PERSONNEL EXPENSES					
Salaries and wages	$ 545,575	$ 83,872	$ 210,061	$ 839,508	$ 767,012
Employee benefits and taxes	104,949	21,137	58,421	184,507	154,829
TOTAL PERSONNEL EXPENSES	650,524	105,009	268,482	1,024,015	921,841
OTHER EXPENSES					
Annual conference	375,633	--	--	375,633	284,171
Bad debt expense	--	518	--	518	6,715
Depreciation and amortization	12,602	1,345	2,857	16,804	29,015
Dues and subscriptions	56,589	3,395	9,648	69,632	27,744
Insurance	15,596	1,698	3,529	20,823	22,065
Meetings expense	1,817	4	9,340	11,161	22,374
Merchant processing fees	--	41,399	--	41,399	36,966
Occupancy	64,879	10,124	26,238	101,241	101,241
Office supplies	10,689	1,796	4,511	16,996	41,693
Outreach and advertising	--	--	5,090	5,090	--
Parent and mentor support	172,122	--	--	172,122	191,694
Postage and shipping - educational	7,425	--	--	7,425	9,520
Postage and shipping - general	--	380	893	1,273	2,262
Printing - educational	27,510	--	--	27,510	10,946
Printing - general	322	414	3,360	4,096	1,217
Professional fees	213,841	5,098	59,102	278,041	175,507
Scholarships	153,183	--	--	153,183	134,628
Staff training and development	7,218	1,536	5,795	14,549	19,011
Telephone and internet	7,100	760	2,143	10,003	9,657
Travel	6,391	860	1,880	9,131	8,531
Website	5,638	--	--	5,638	5,652
Other	873	447	--	1,320	1,024
TOTAL OTHER EXPENSES	1,139,428	69,774	134,386	1,343,588	1,141,633
TOTAL EXPENSES	$ 1,789,952	$ 174,783	$ 402,868	$ 2,367,603	$ 2,063,474

The accompanying notes are an integral part of these financial statements.

THE AUTISM COMMUNITY IN ACTION
(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	December 31, 2019	December 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	($ 15,109)	$ 227,964
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	16,804	29,015
Loss on disposal of property and equipment	--	74
Unrealized (gain) loss on investments	(8,218)	2,234
Realized gain on investments	(4,350)	--
Donated securities	(119,717)	(42,482)
Change in operating assets and liabilities:		
Contributions receivable	82,192	40,212
Accounts receivable	(40,409)	(36,338)
Accounts receivable from related parties	(8,500)	--
Prepaid expenses	(24,398)	(61,723)
Inventory	--	1,640
Accounts payable and accrued expenses	(6,554)	(48,091)
Accrued employee related expenses	(8,135)	30,048
Deferred revenue	(29,315)	38,936
Net Cash (Used In) Provided By Operating Activities	(165,709)	181,489
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of securities	281,369	28,349
Purchase of securities	(393,244)	--
Purchase of beneficial interest in assets held by community foundation	(26,610)	(25,000)
Purchases of property and equipment	(1,532)	(3,526)
Net Cash Used In Investing Activities	(140,017)	(177)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(305,726)	181,312
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	701,459	520,147
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 395,733	$ 701,459
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	NONE	NONE
Cash paid for income taxes	NONE	NONE
Noncash investing transactions	$ 119,717	$ 42,482
Noncash financing transactions	NONE	NONE

The accompanying notes are an integral part of these financial statements.

THE AUTISM COMMUNITY IN ACTION
(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARY COMPARATIVE INFORMATION FOR 2018

NOTE 1 – Nature of Activities

The Autism Community in Action, formerly known as Talk About Curing Autism, (the Organization), is a national non-profit dedicated to educating, empowering and supporting families affected by autism. For families who have just received the autism diagnosis, the Organization aims to speed up the cycle time from the autism diagnosis to effective treatments. The Organization also helps to strengthen the autism community by connecting families and the professionals who can help them, allowing them to share stories and information to help improve the quality of life for people with autism. This is done through monthly meetings in California and 28 other states. Services provided include one-on-one mentoring for parents, social events for children and parents, newsletters, books, webinars, medical assistance for children with autism, and training to local physicians. The Organization's name change was official in January 2019. The Organization's primary source of income is from donations from the public, corporations, foundations and various fundraisers held during the year.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation of Financial Statements

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with United States Generally Accepted Accounting Principles (US GAAP). The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Comparative Financial Information

The accompanying 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 full comparison of operations year over year. Accordingly, these comparative financial statements should be read in conjunction with our audited financial statements for the year ended December 31, 2018, from which the summarized information was derived.

Cash and Cash Equivalents

All cash and highly liquid financial instruments with an original maturity of three months or less when purchased, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

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 as 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. Amortization of the discounts is included in contribution revenue. The Organization determines the allowance for doubtful contributions based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions are written off when deemed uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. For the years ended December 31, 2019 and 2018, the Organization did not receive any conditional promises to give.

Accounts Receivable

Accounts receivable consist primarily of payments due from governmental agencies under various contracts and from certain event participants and sponsors, and are stated at the amount that management expects to collect from outstanding balances. Accounts receivable are written off when they are determined to be uncollectable.

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair value in the statement of financial position, and changes in fair value are reported as investment return in the statement of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statement of activities in the period in which the securities are sold. Interest and dividends are recorded when earned.

Property and Equipment

The Organization's policy is to capitalize asset additions over $500. Property and equipment are stated at cost, with the exception of donated equipment, which is recorded at fair market value on the date received. Depreciation has been provided on the straight-line method over the useful lives of the assets, which are generally three to seven years. Expenditures for repairs and maintenance are expensed as incurred.

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

Beneficial Interest in Assets Held by Community Foundation

The Organization's Board of Directors established an endowment fund whereby certain contributions would remain intact. In 2018, the Organization established The TACA Autism Endowment Fund under the Orange County Community Foundation (OCCF). The funds are invested in an allocated investment pool. Net income from the fund may be distributed annually to the Organization upon request. The Organization granted OCCF variance power over the funds at the time of the transfer, but since the Organization is a nonprofit organization, who specified themselves as the beneficiary, the Organization may recognize at fair value the beneficial interest in the assets held by OCCF. Also see Note 9.

Intangible Assets

Intangible assets are related to website development and related expenses are stated at cost. The cost of website development is for internal use software and is capitalized. Amortization is computed on the straight-line basis over the estimated useful life of the asset, which is currently three years.

Classification of Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor or grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, for example contributed asset that may or will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, for example stipulating that resources be maintained in perpetuity. Law may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, laws extend to donor imposed restrictions. The expirations of donor-imposed restrictions are recognized when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

Revenue Recognition

Revenue is recognized when earned. Program service fees and event sponsorships are received in advance are deferred to the applicable period in which the related services are performed or event occurs. Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

In-Kind Goods and Services

Contributed goods are recorded at fair value at the date of donation. During the years ended December 31, 2019 and 2018, contributed goods totaled $699,839 and $475,652, respectively and included food, supplies and resource materials that were utilized as part of programmatic, general and administrative needs, and fundraising events. Contributed services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received. Donated services included autism related professionals such as doctors, therapists, and lawyers who regularly speak at chapter meetings, conferences, legal clinics, and via webinars in support of the Organization's mission.

In addition, approximately 1,000 volunteers donated approximately 25,000 hours of their time to the Organization and its programs during 2019. The donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Donated Securities

The Organization recognizes contributions of donated securities at the fair market value on the date they are received. It is the Organization's policy to liquidate donated securities upon receipt. During the years ended December 31, 2019 and 2018, the Organization received $119,717 and $42,482 in donated securities, respectively, which are included in the total donated goods and services figures noted above.

Outreach and Advertising

The Organization uses advertising to promote its programs and fundraising among the audiences it serves. Outreach and advertising expenses are charged to operations when incurred. Outreach and advertising expense for the year ended December 31, 2019 was $5,090. There was no outreach and advertising expense for the year ended December 31, 2018.

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

Income Tax Status

The Organization has received tax-exempt status from the Internal Revenue Service and California Franchise Tax Board under Section 501(c)(3) of the Internal Revenue Code and under Revenue and Taxation Code Section 23701d, respectively.

Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income taxes. The Organization uses the same accounting methods for tax and financial reporting. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization returns are more likely than not to be sustained upon examination. The Organization's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenses. Actual results could differ from such estimates and those differences could be material.

Financial Instruments and Credit Risk

Deposit concentrations are managed by placing cash with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with contributions receivable are considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from donors supportive of the mission. Investments are made by diversified investment managers whose performance is monitored by the Organization and the Board of Directors. Although fair values of investments are subject to fluctuations on a year-to-year basis, the Organization believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

Accounting Pronouncements Adopted

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606).* This ASU establishes principles for reporting useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers, particularly, that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 became effective for nonpublic business entities for annual reporting periods beginning after December 15, 2018.

In January 2016, the FASB issued ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*. The amendments in this update address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. This update requires an entity to (1) measure equity investments at fair value through net income, with certain exceptions; (2) present financial assets and financial liabilities by measurement category and form of financial asset; (3) calculate the fair value of financial instruments for disclosure purposes based on an exit price. ASU 2016-01 became effective for nonpublic business entities for fiscal years beginning after December 15, 2018.

In June of 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update are designed to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. ASU 2018-08 became effective for fiscal years beginning after December 15, 2018.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*. ASU 2016-02 requires entities to recognize all leased assets on the statement of financial position with a corresponding liability resulting in a gross up of the statement of financial position. Entities will also be required to present additional disclosures regarding the nature and extent of leasing activities. ASU 2016-02 is effective for nonpublic business entities for the annual reporting period beginning after December 15, 2021. The Organization is in the process of evaluating the impact of this statement and potential effects of the financial statements.

NOTE 2 – Summary of Significant Accounting Policies *(continued)*

Recent Accounting Pronouncements (continued)

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement: Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments to Topic 820 makes changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. ASU 2018-13 is effective for nonpublic business entities for the annual reporting period beginning after December 15, 2019. The Organization is in the process of evaluating the impact of this statement and potential effects of the financial statements.

Subsequent Events

The Organization has evaluated subsequent events through October 28, 2020, which is the date the financial statements were available to be issued for the year ended December 31, 2019. See Note 15.

NOTE 3 – Liquidity and Availability

Financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	$ 395,733
Contributions receivable	63,630
Accounts receivable	87,897
Accounts receivable from related parties	8,500
Investments	257,540
Total financial assets	813,300
Contractual or donor-imposed restrictions	(180,313)
Financial assets available to meet cash needs for general expenditures within one year	$ 632,987

NOTE 3 – Liquidity and Availability *(continued)*

To help manage unanticipated liquidity needs, the Organization has a line of credit with a commercial bank. As of December 31, 2019, the full amount of the $60,000 line of credit was available for borrowing. See Note 10.

Additionally, the Organization has an endowment fund held at a community foundation and the accumulative net income may be distributed annually upon request. See Note 9.

NOTE 4 – Contributions Receivable

Contributions receivable are summarized as follows at December 31:

	2019	2018
Unconditional promises expected to be collected in less than one year	$ 63,630	$ 145,822

There was no allowance for doubtful accounts or net present value discount deemed necessary by management at December 31, 2019 or 2018 as all items are expected to be collected within one year. Bad debt expense was $518 and $6,715 for the years ended December 31, 2019 and 2018, respectively.

NOTE 5 – Accounts Receivable

Accounts receivable are summarized as follows at December 31:

	2019	2018
Accounts expected to be collected in less than one year	$ 96,397	$ 47,488

There was no allowance for doubtful accounts deemed necessary by management at December 31, 2019 or 2018.

NOTE 6 - Fair Value Measurements and Disclosures

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell assets in an orderly transaction in the principal, most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the assets, including assumptions about risk. Input may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the assets based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available.

A three-tier hierarchy categorizes the inputs as follows:

- *Level 1* inputs are quoted prices (unadjusted) in active markets for identical assets that the Organization has the ability to access at the measurement date.
- *Level 2* inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- *Level 3* inputs are unobservable inputs for the asset.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk or liquidity profile of the asset.

NOTE 6 – Fair Value Measurement and Disclosures *(continued)*

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2019:

		Fair Value Measurements at Reporting Date Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Fixed Income	$ 249,991	$ 249,991	$ --	$ --
Equities	7,549	7,549	--	--
Beneficial interest in assets held by	55,613	--	--	55,613
Total investments	$ 313,153	$ 257,540	$ --	$ 55,613

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2018:

		Fair Value Measurements at Reporting Date Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Fixed Income	$ 14,855	$ 14,855	$ --	$ --
Equities	2,528	2,528	--	--
Beneficial interest in assets held by	25,000	--	--	25,000
Total investments	$ 42,383	$ 17,383	$ --	$ 25,000

NOTE 7 – Property and Equipment

Property and equipment are summarized as follows at December 31:

	2019	2018
Furniture	$ 20,780	$ 20,780
Equipment	19,716	19,716
Computer equipment	23,823	22,291
Leasehold improvements	3,170	3,170
	67,489	65,957
Less accumulated depreciation and amortization	(58,908)	(47,137)
Total	$ 8,581	$ 18,820

Depreciation and amortization expense for the years ended December 31, 2019 and 2018 was $11,771 and $12,434, respectively.

NOTE 8 – Intangible Assets

Intangible assets are summarized as follows at December 31:

	2019	2018
Patents	$ 550	$ 550
Website	40,206	40,206
	40,756	40,576
Less accumulated amortization	(40,756)	(35,723)
Total	$ --	$ 5,033

Amortization expense for the years ended December 31, 2019 and 2018 was $5,033 and $16,581, respectively.

NOTE 9 – Endowment

The Organization's established the TACA Autism Endowment Fund (Endowment) and designated $25,000 as the initial contribution. As required by accounting principles generally accepted in the United States (GAAP), net assets associated with endowment funds designated by the Board are classified and reported based on the existence or absence of donor-imposed restrictions. The endowment balance is included in the beneficial interest in assets held by a community foundation on the statement of financial position. The Board has interpreted the State of California enacted version of 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 in perpetuity as (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that are not classified as net assets with donor restrictions in perpetuity are classified as net assets with donor-restriction until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Organization 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. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as Board-designated funds. The investment of the Organization's endowment funds is governed by Board policy. The portfolio is to be managed in a way that provides ongoing financial support for the operations of the Organization while protecting and increasing the value of the endowment through careful investment.

NOTE 9 – Endowment *(continued)*

The changes in endowment net assets for the year ended December 31, 2019 are as follows:

	Without Donor Restrictions	With Donor Restrictions	2019
Endowment net assets, beginning	$ 25,000	$ --	$ 25,000
Contributions	26,610	--	26,610
Investment return, net	4,003	--	4,003
Endowment net assets, ending	$ 55,613	$ --	$ 55,613

The changes in endowment net assets for the year ended December 31, 2018 are as follows:

	Without Donor Restrictions	With Donor Restrictions	2018
Endowment net assets, beginning	$ --	$ --	$ --
Contributions	25,000	--	25,000
Investment return, net	--	--	--
Endowment net assets, ending	$ 25,000	$ --	$ 25,000

NOTE 10 – Commitments

Line of Credit

The Organization has a $60,000 revolving line of credit with a bank, secured by substantially all of the Organization's assets. Borrowings under the line bear interest at 6.75%. The line of credit matures in October of 2020. The line of credit had no outstanding balance during or as of the years ended December 31, 2019 and 2018.

NOTE 10 – Commitments *(continued)*

Operating Lease

The Organization is committed under a facility lease agreement through December 2020 and requires monthly payments of $7,501 plus a percentage of operating expenses. The future minimum payments due on the lease agreements are as follows:

For the year ending December 31,		
2020	$	90,010

Lease expense for both the years ended December 31, 2019 and 2018 was $101,241.

Contractual Obligations

The Organization has entered into contracts with various hotels and event venues in connection with their annual conference and fundraising events. The Organization is committed to meeting certain minimums for the selected dates and is subject to certain fees if the minimums are not obtained. Termination of the contracts may result in cancellation fees. Cancellation fees under these agreements vary depending on the date of cancellation. The future minimum payments due on the contracts range as follows:

For the year ending December 31,		
2020	$	74,464
2021		126,818
Total	$	201,282

NOTE 11 – Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	2019	2018
Subject to expenditure for specified purpose:		
Journey Guides	$ 4,637	$ 16,529
Doctor's Training Scholarships	5,522	7,692
Medical Scholarships	104,373	155,965
OC Swim Program	1,681	1,681
Other programmatic activities	470	--
Contributions receivable, the proceeds from which have been restricted by donors for:		
Journey Guides	21,540	--
Contributions receivable that are not restricted by donors, but which are unavailable for expenditure until due	42,090	145,822
Total	$ 180,313	$ 327,689

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or the passage of time or other events specified by donors.

	2019	2018
Expiration of time restrictions	$ 115,072	$ --
Subject to expenditure for specified purpose:		
Journey Guides	11,893	10,591
Doctor's Training Scholarships	2,170	2,949
Medical Scholarships	159,311	75,040
OC Education & Support	--	15,000
OC Swim Program	--	644
State of CA - Family Scholarships	9,500	10,500
State of HI - Family Scholarships	--	4,000
Other programmatic activities	822	--
Total	$ 298,768	$ 118,724

NOTE 12 – Concentrations

Contributions Receivable

Contributions receivable from three and two donors comprises 64% and 85% of the balance at December 31, 2019 and 2018, respectively.

Accounts Receivable

Accounts receivable from four and three accounts comprises 64% and 86% of the balance at December 31, 2019 and 2018, respectively.

NOTE 13 – Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural and functional classification detail of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits and taxes, depreciation and amortization, dues and subscriptions, insurance, meeting expenses, occupancy, office supplies, postage and shipping - general, printing - general, professional fees, staff training and development, telephone and internet, travel, and other, which are allocated on the basis of estimates of time and effort.

NOTE 14 – Related Party Transactions

The Organization used information technology services contributed by a member of the Board of Directors. For the year ended December 31, 2018, the Organization recognized in-kind revenues and expenses of $15,012. There were no contributed services recognized during the year ended December 31, 2019.

The Organization used event planning services from an individual who is married to a Board member. For the year ended December 31, 2018, payments were made totaling $21,475. There were no services of this nature incurred for the year ended December 31, 2019.

The Organization had accounts receivable due from management and members of the Board of Directors related to their special events. The balance at December 31, 2019 was $8,500. There was no balance due at December 31, 2018.

THE AUTISM COMMUNITY IN ACTION
(FORMERLY KNOWN AS TALK ABOUT CURING AUTISM)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARY COMPARATIVE INFORMATION FOR 2018

NOTE 15 – Subsequent Events & Economic Uncertainty

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to a number of other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, several states in the U.S., including California, where the Organization is headquartered, have declared a state of emergency.

Potential impacts to programs and operations include disruptions or restrictions on its employees' ability to work. While this is a unique and difficult time, the Organization is committed to serving our community. Quick adjustments were made to programs to ensure delivery of the Organization's mission to the parents and caregivers that depend on the Organization. In person meetings, coffee talks and family events were canceled in March, until further notice. The Organization moved to online parent support with our Hope and Help Facebook group (a private, moderated group discussing autism and how to help the person with autism in your life, be the best person they can be), Free TACA education webinars, Virtual Chapter Meetings, Facebook live parent education and trainings.

The Organization had to cancel the National TACA Autism East Coast Conference in March. But instead of cancelling the October TACA National Autism conference, it was transitioned to a virtual format, which will allow parents to participate from home. This is an exciting change because it gives parents the ability to access presentations 24/7 for the entire month of October. We know autism doesn't take a day off. And, the good news, is neither does TACA.

Additionally, COVID-19 could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect funding streams. Any of the foregoing could harm organization and it cannot anticipate all of the ways in which health epidemics such as COVID-19 could adversely impact the business model.

Although the Organization is continuing to monitor and assess the effects of the COVID-19 pandemic on the organization, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change