



FINANCIAL STATEMENTS

DECEMBER 31, 2022

WITH SUMMARY COMPARATIVE INFORMATION FOR 2021

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## **INDEPENDENT AUDITORS' REPORT**

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

### **Opinion**

We have audited the accompanying financial statements of The Autism Community in Action (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, 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 The Autism Community in Action as of December 31, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Autism Community in Action and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Autism Community in Action'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 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 The Autism Community in Action's internal controls. 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 Autism Community in Action'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 Autism Community in Action's 2021 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Evergreen Alliance*

Los Alamitos, California

September 5, 2023

**THE AUTISM COMMUNITY IN ACTION  
STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2022 AND 2021**

	December 31,	
	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 403,579	\$ 955,054
Contributions receivable, current	57,568	58,211
Accounts receivable	64,772	46,757
Other receivables	1,886	33,840
Prepaid expenses	10,790	69,803
Investments	511,861	81,564
Total Current Assets	1,050,456	1,245,229
<b>PROPERTY AND EQUIPMENT, NET</b>	14,607	22,672
<b>OTHER ASSETS</b>		
Contributions receivable, net of current portion	41,667	58,333
Beneficial interest in assets held by community foundation	141,192	94,709
Deposits	8,251	8,251
Total Other Assets	191,110	161,293
<b>TOTAL ASSETS</b>	\$ 1,256,173	\$ 1,429,194
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 18,229	\$ 16,810
Accrued employee related expenses	78,296	60,733
Deferred revenue	6,458	5,900
Total Current Liabilities	102,983	83,433
<b>COMMITMENTS (NOTE 11)</b>		
<b>TOTAL LIABILITIES</b>	102,983	83,443
<b>NET ASSETS</b>		
Without donor restrictions:		
Undesignated	879,717	1,060,212
Board-designated endowment	141,192	94,709
Total without donor restrictions	1,020,909	1,154,921
With donor restrictions	132,281	190,830
<b>TOTAL NET ASSETS</b>	1,153,190	1,345,751
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 1,256,173	\$ 1,429,194

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

**THE AUTISM COMMUNITY IN ACTION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
**WITH SUMMARY COMPARATIVE TOTALS FOR 2021**

	Without Donor Restrictions	With Donor Restrictions	December 31,	
			2022	2021
<b>REVENUE AND SUPPORT</b>				
Contributions	\$ 848,957	\$ 148,935	\$ 997,892	\$ 1,427,757
In-kind contributions	216,681	--	216,681	91,892
Program revenue	97,928	--	97,928	64,185
Membership dues	30,392	--	30,392	29,110
Investment income, net	( 32,228)	--	( 32,228)	16,795
Other income	15,323	--	15,323	3,173
Net assets released from restrictions	<u>207,484</u>	<u>( 207,484)</u>	<u>--</u>	<u>--</u>
	1,384,537	( 58,549)	1,325,988	1,632,912
<b>SPECIAL EVENTS</b>				
Special events revenue	1,039,835	--	1,039,835	988,312
Special events revenue – in-kind	315,963	--	315,963	207,896
Special events expense	<u>( 534,380)</u>	<u>--</u>	<u>( 534,380)</u>	<u>( 455,767)</u>
	821,418	--	821,418	740,441
<b>PRODUCT SALES</b>				
Product sales	12,607	--	12,607	12,411
Cost of sales	<u>( 8,119)</u>	<u>--</u>	<u>( 8,119)</u>	<u>( 17,270)</u>
	4,488	--	4,488	( 4,859)
<b>TOTAL REVENUE AND SUPPORT</b>	2,210,443	( 58,549)	2,151,894	2,368,494
<b>EXPENSES</b>				
Program services	1,750,530	--	1,750,530	1,345,108
Supporting services:				
Management and general	185,680	--	185,680	190,772
Fundraising	<u>408,245</u>	<u>--</u>	<u>408,245</u>	<u>305,010</u>
<b>TOTAL EXPENSES</b>	<u>2,344,455</u>	<u>--</u>	<u>2,344,455</u>	<u>1,840,890</u>
<b>CHANGE IN NET ASSETS</b>	( 134,012)	( 58,549)	( 192,561)	527,604
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>1,154,921</u>	<u>190,830</u>	<u>1,345,751</u>	<u>818,147</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,020,909</u>	<u>\$ 132,281</u>	<u>\$ 1,153,190</u>	<u>\$ 1,345,751</u>

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

**THE AUTISM COMMUNITY IN ACTION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE TOTALS FOR 2021**

				<u>December 31,</u>	
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2022</u>	<u>2021</u>
<b>PERSONNEL EXPENSES</b>					
Salaries and wages	\$ 734,475	\$ 93,524	\$ 235,700	1,063,699	\$ 820,257
Employee benefits and taxes	<u>125,036</u>	<u>23,178</u>	<u>54,286</u>	<u>202,500</u>	<u>146,503</u>
<b>TOTAL PERSONNEL EXPENSES</b>	859,511	116,702	289,986	1,266,199	966,760
<b>OTHER EXPENSES</b>					
Annual conference	282,878	--	--	282,878	82,244
Bad debt expense	--	1,800	--	1,800	4,850
Depreciation and amortization	8,033	928	1,848	10,809	8,065
Dues and subscriptions	22,942	3,383	10,443	36,768	36,636
Insurance	16,632	1,434	4,208	22,274	16,735
Interest	--	--	--	--	233
Meeting expenses	2,119	--	10,821	12,940	12,594
Merchant processing fees	--	34,041	--	34,041	22,942
Occupancy	70,376	8,153	24,231	102,760	102,760
Office supplies	8,565	1,375	3,100	13,040	10,618
Outreach and advertising	11,629	--	9,431	21,060	19,430
Parent and mentor support	193,179	--	--	193,179	122,727
Postage and shipping - educational	3,080	--	--	3,080	7,632
Postage and shipping - general	--	312	1,576	1,888	602
Printing - educational	1,057	--	--	1,057	341
Printing - general	--	--	2,814	2,814	1,984
Professional fees	58,243	9,901	36,786	104,930	48,671
Scholarships	159,918	--	--	159,918	264,209
Staff training and development	32,863	4,073	10,546	47,482	34,536
Telephone and internet	7,222	1,318	2,213	10,753	10,607
Travel	6,056	24	240	6,320	511
Venue cancellation fee	--	--	--	--	59,317
Website	5,201	--	--	5,201	5,306
Other	<u>1,026</u>	<u>2,236</u>	<u>2</u>	<u>3,264</u>	<u>580</u>
<b>TOTAL OTHER EXPENSES</b>	<u>891,019</u>	<u>68,978</u>	<u>118,259</u>	<u>1,078,256</u>	<u>874,130</u>
<b>TOTAL EXPENSES</b>	<u>\$ 1,750,530</u>	<u>\$ 185,680</u>	<u>\$ 408,245</u>	<u>\$ 2,344,455</u>	<u>\$ 1,840,890</u>

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

**THE AUTISM COMMUNITY IN ACTION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$( 192,561)	\$ 527,604
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Donated securities	( 66,634)	( 42,579)
Unrealized loss (gain) on investments	37,855	( 15,512)
Depreciation and amortization	10,809	8,065
Forgiveness of Paycheck Protection Program (PPP) loan	--	( 174,047)
Change in operating assets and liabilities:		
Contributions receivable	17,309	( 60,667)
Accounts receivable	( 18,015)	( 41,691)
Other receivables	31,954	( 33,840)
Prepaid expenses	59,013	124,320
Accounts payable and accrued expenses	1,419	( 3,657)
Accrued employee related expenses	17,563	16,943
Deferred revenue	558	( 41,205)
Net Cash (Used In) Provided By Operating Activities	( 100,730)	263,734
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of securities	( 397,276)	--
Purchase of beneficial interest in assets held by community foundation	( 50,725)	( 25,000)
Purchases of property and equipment	( 2,744)	( 11,081)
Net Cash Used In Investing Activities	( 450,745)	( 36,081)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program (PPP) loan	--	174,047
Repayments on line of credit	--	( 60,000)
Net Cash Provided By Financing Activities	--	114,047
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	( 551,475)	341,700
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	955,054	613,354
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 403,579	\$ 955,054
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash paid for interest	NONE	\$ 233
Cash paid for income taxes	NONE	NONE
Noncash investing transactions	\$ 66,634	\$ 42,579
Noncash financing transactions	NONE	NONE

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



**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

**NOTE 1 – Nature of Activities**

The Autism Community in Action (TACA or the Organization) is a national non-profit established in 2000 in Orange County, California. What began as a local support group for families navigating their autism journey has grown to become one of the leading autism support organizations across the United States. In 2022, TACA is a family-centered, health education, and advocacy organization whose mission is to provide education, support, and hope to families living with autism. TACA’s vision is for every individual diagnosed with autism to lead an independent life. TACA offers a variety of virtual and in-person educational and support meetings each month across the U.S. Services provided include one-on-one mentoring for parents, social events for families in safe supportive environments, educational webinars and conferences, free printed journey guides, answers to support inquiries and scholarships for people with autism. All the programs and services are provided at little or no cost to families. Together as a community, we are taking action to improve the outcomes of families and individuals for a better quality of life. The Organization’s primary source of income is from donations from the public, corporations, and 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, 2021, 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.

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

**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, 2022 and 2021, 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 income 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.

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

**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 TACA 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.

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

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

***Revenue Recognition***

Revenue is recognized when earned. Program service fees and event sponsorships that 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, 2022 and 2021, contributed goods totaled \$216,681 and \$91,892, respectively, and included food, supplies and resource materials that were utilized as part of programmatic, general and administrative needs, and fundraising events. During the years ended December 31, 2022 and 2021, the Organization received \$315,963 and \$207,896, respectively, in contributed donated goods and services related to special 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.

***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, 2022 and 2021, the Organization received \$66,634 and \$42,579 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 was \$21,060 and \$19,430 for the years ended December 31, 2022 and 2021, respectively.

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

**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 is 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 management and the Board of Directors. Although fair values of investments are subject to fluctuations on a year-to-year basis, management believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 2 – Summary of Significant Accounting Policies (continued)**

***Accounting Pronouncements Adopted***

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 are also required to present additional disclosures regarding the nature and extent of leasing activities. ASU 2016-02 became effective for nonpublic business entities for the annual reporting period beginning after December 15, 2021.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 is aimed to improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. ASU 2020-07 became effective for nonpublic business entities for the annual reporting period beginning after June 15, 2021.

***Subsequent Events***

The Organization has evaluated subsequent events through September 5, 2023, which is the date the financial statements were available to be issued for the year ended December 31, 2022. See Note 16.

**NOTE 3 – Liquidity and Availability**

Financial assets available to meet cash needs for general expenditures within one year as of December 31:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 403,579	\$ 955,054
Contributions receivable, current	57,568	116,544
Accounts receivable	64,772	46,757
Other receivables	1,886	33,840
Investments	<u>511,861</u>	<u>81,564</u>
Total financial assets	1,039,666	1,233,759
Less: contractual or donor-imposed restrictions	( 90,614)	( 190,830)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 949,052</u>	<u>\$ 1,042,929</u>

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

**NOTE 3 – Liquidity and Availability (continued)**

To help manage unanticipated liquidity needs, the Organization had a line of credit with a commercial bank. As of December 31, 2021, there was no outstanding balance on the line of credit and in 2022 the line of credit was closed. See Note 11.

As needed, management also moves funds between the operating account and investment accounts. Additionally, the Organization has a quasi-endowment fund held at a community foundation and the cumulative net income may be distributed annually upon request. See Note 9.

**NOTE 4 – Contributions Receivable**

Contributions receivable are summarized as follows at December 31:

	<u>2022</u>	<u>2021</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 57,568	\$ 58,211
Greater than one year	<u>41,667</u>	<u>58,333</u>
 Total	 <u>\$ 99,235</u>	 <u>\$ 116,544</u>

There was no allowance for doubtful accounts deemed necessary by management at December 31, 2022 or 2021 as all items are expected to be collected in full. There was no discount to net present value for amounts expected in greater than one year at December 31, 2022 or 2021 as management believes the discount would be immaterial to the financial statements as a whole. Bad debt expense was \$1,800 and \$4,850 for the years ended December 31, 2022 and 2021, respectively.

**NOTE 5 – Accounts Receivable**

Accounts and other receivables are summarized as follows at December 31:

	<u>2022</u>	<u>2021</u>
Accounts expected to be collected in less than one year	\$ 66,658	\$ 80,597

There was no allowance for doubtful accounts deemed necessary by management at December 31, 2022 or 2021.

**THE AUTISM COMMUNITY IN ACTION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH SUMMARY COMPARATIVE INFORMATION FOR 2021**

**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.



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

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2022:

	<u>Fair Value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments				
Fixed income	\$ 389,720	\$ 389,720	\$ --	\$ --
Equities	60,876	60,876	--	--
Exchange traded funds	61,265	61,265		
Beneficial interest in assets held by community foundation	<u>141,192</u>	<u>--</u>	<u>--</u>	<u>141,192</u>
Total	<u>\$ 653,053</u>	<u>\$ 511,861</u>	<u>\$ --</u>	<u>\$ 141,192</u>

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2021:

	<u>Fair Value</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments				
Fixed income	\$ 62,759	\$ 62,759	\$ --	\$ --
Equities	18,805	18,805	--	--
Beneficial interest in assets held by community foundation	<u>94,709</u>	<u>--</u>	<u>--</u>	<u>94,709</u>
Total	<u>\$ 176,273</u>	<u>\$ 81,564</u>	<u>\$ --</u>	<u>\$ 94,709</u>

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

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended December 31:

	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 94,709	\$ 59,844
Contributions	50,725	25,000
Investment income, net	( 3,006)	10,565
Administrative fees	( 1,236)	( 700)
Ending balance	<u>\$ 141,192</u>	<u>\$ 94,709</u>

**NOTE 7 – Property and Equipment**

Property and equipment are summarized as follows at December 31:

	<u>2022</u>	<u>2021</u>
Furniture	\$ 16,704	\$ 16,704
Equipment	22,047	19,639
Computer equipment	44,310	43,975
Leasehold improvements	<u>3,170</u>	<u>3,170</u>
	86,231	83,488
Less accumulated depreciation and amortization	( 71,624)	( 60,816)
Total	<u>\$ 14,607</u>	<u>\$ 22,672</u>

Depreciation and amortization expense for the years ended December 31, 2022 and 2021 was \$10,809 and \$8,065, respectively.

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**NOTE 8 – Intangible Assets**

Intangible assets are summarized as follows at December 31:

	<u>2022</u>	<u>2021</u>
Patents	\$ 550	\$ 550
Website	<u>40,206</u>	<u>40,206</u>
	40,756	40,756
Less accumulated amortization	( <u>40,756</u> )	( <u>40,756</u> )
Total	<u>\$ --</u>	<u>\$ --</u>

There were no amortization expenses recognized for the years ended December 31, 2022 or 2021.

**NOTE 9 – Quasi-Endowment**

The Organization 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 changes in the quasi- endowment net assets are as follows for the year ended December 31, 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning	\$ 94,709	\$ --	\$ 94,709
Contributions	50,725	--	50,725
Investment return, net	( 3,006)	--	( 3,006)
Administrative fees	( <u>1,236</u> )	<u>--</u>	( <u>1,236</u> )
Endowment net assets, ending	<u>\$ 141,192</u>	<u>\$ --</u>	<u>\$ 141,192</u>

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**NOTE 9 – Quasi-Endowment (continued)**

The changes in the quasi-endowment net assets are as follows for the year ended December 31, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning	\$ 59,844	\$ --	\$ 59,844
Contributions	25,000	--	25,000
Investment return, net	10,565	--	10,565
Administrative fees	( 700)	--	( 700)
Endowment net assets, ending	<u>\$ 94,709</u>	<u>\$ --</u>	<u>\$ 94,709</u>

**NOTE 10 – Paycheck Protection Program (PPP) Loan**

In March 2021 and April 2020, the Organization received loan proceeds under the Paycheck Protection Program (the PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying organizations for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying organizations. The loans and accrued interest are forgivable after eight or twenty-four weeks as long as the borrower used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintained its full time equivalent (FTE) headcount levels. In October 2021 and November 2020, the Organization’s applications for forgiveness were approved and the full amounts of the PPP loans were recognized in contributions revenue on the statement of activities.

While the Organization currently believes that the loan forgiveness was based on meeting the eligibility criteria, the Small Business Administration (SBA) reserves the right to re-review the loan applications and subsequent forgiveness within six years following the date of loan forgiveness.

**NOTE 11 – Commitments**

***Line of Credit***

The Organization had 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 5.25%. The line of credit matured in March, 2022. There was no outstanding balance as of the year ended December 31, 2021. The Organization closed the line of credit in 2022.

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**NOTE 11 – Commitments *(continued)***

***Operating Lease***

The Organization is committed under a facility lease agreement through December 2023 and requires monthly payments of \$8,563. The Organization was issued a notice of termination of tenancy and non-renewal of lease, which has also reduced the length of the lease. The lease will be terminated on June 30, 2023, with monthly payments due through that date. The future minimum payments due on the lease agreement are as follows:

**For the year ending December 31,**

2023	\$ 51,378
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Lease expense for the years ended December 31, 2022 and 2021 was \$102,760 and \$102,760, respectively.

***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 are as follows:

**For the year ending December 31,**

2023	\$ 227,654
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**NOTE 12 – Net Assets With Donor Restrictions**

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

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Doctors’ training scholarships	\$ --	\$ 5,522
Medical scholarships	11,365	67,083
OC swim program	1,681	1,681
OC Autism education and support	20,000	--
Contributions receivable, the proceeds from which have been restricted by donors for:		
Newly diagnosed programs	75,000	91,667
Contributions receivable that are not restricted by donors, but which are unavailable for expenditure until due	<u>24,235</u>	<u>24,877</u>
 Total	 <u>\$ 132,281</u>	 <u>\$ 190,830</u>

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.

	<u>2022</u>	<u>2021</u>
Expiration of time restrictions	\$ 24,877	\$ 55,877
Subject to expenditure for specified purpose:		
Doctor Think Tank	5,522	--
Medical scholarships	155,418	76,890
Adult Program	--	11,000
Newly diagnosed program	16,667	8,333
State of GA - family scholarships	5,000	55,000
Other programmatic activities	<u>--</u>	<u>470</u>
 Total	 <u>\$ 207,484</u>	 <u>\$ 207,570</u>

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**NOTE 13 – Concentrations**

*Contributions Receivable*

Contributions receivable from one donor comprises 76% and 71% of the balance at December 31, 2022 and 2021, respectively.

*Accounts Receivable*

Accounts receivable from two donors comprises 54% and 53% of the balance at December 31, 2022 and 2021, respectively.

**NOTE 14 – Donated Goods and Services**

The Organization’s financial statements include the following in-kind contribution revenue for the year ended December 31:

	<b>2022</b>	<b>2021</b>
Donated goods	\$ 140,841	66,308
Donated services	325,169	190,901
Donated securities	66,634	42,579
Total	\$ 532,644	299,788

Donated goods and services received by the Organization during the year ended December 31, 2022 were provided without donor restrictions and were used to support ongoing program operations. The value of donated goods was estimated based on comparable sales of similar items at retail prices within the local market available to the Organization, and the value of donated services was estimated based on comparable services by qualified professionals within the local market available to the Organization.

In addition, approximately 551 volunteers donated approximately 4,492 hours of their time in 2022 and approximately 571 volunteers donated approximately 5,794 hours of their time in 2021 to the Organization and its programs. The reduction of volunteers and hours that started in 2020 is due to COVID continuing through 2022. Most of TACA’s volunteers have children diagnosed with autism and have had to resume full-time care during the pandemic. The donated volunteer time are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

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**NOTE 15 – 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. 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, outreach and advertising, postage and shipping – 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 16 – Subsequent Events**

The Organization applied for the Employee Retention Credit for certain quarters of 2020 and 2021. The application and receipt of funds occurred subsequent to the year ended December 31, 2022.

The Organization’s management continues to concentrate on creating the best balance of in-person and virtual resources to achieve the greatest outcomes for the families served. In 2023, the Organization will work towards increasing the program volunteer base to pre-COVID numbers. Many of TACA’s program volunteers have children diagnosed with autism and have had to resume full-time care during the pandemic. Through it all, the focus and goal of TACA’s Autism Education and Support programs remain dedicated to empowering parents and providing them with education, financial resources, and support services to help their children.