

CALIFORNIA BUDGET & POLICY CENTER

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

December 31, 2024



Puzdrak and Stortz LLC

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CALIFORNIA BUDGET & POLICY CENTER

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INDEPENDENT AUDITOR'S REPORT

**The Board of Directors of
California Budget & Policy Center**

Opinion

We have audited the accompanying financial statements of the California Budget & Policy Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California Budget & Policy Center as of December 31, 2024 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Restatement

As discussed in Note C to the financial statements, California Budget & Policy Center has restated the beginning of year net asset balance for the year ended December 31, 2024, to correct a misstatement.

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 the California Budget & Policy Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about California Budget & Policy Center'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.



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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 California Budget & Policy Center'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 California Budget & Policy Center'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.

Puzdrak and Stortz LLC

Austin, Texas
August 11, 2025

CALIFORNIA BUDGET & POLICY CENTER

STATEMENT OF FINANCIAL POSITION

For the year ended December 31, 2024

ASSETS

Cash and cash equivalents	\$	2,628,784
Investments		5,004,340
Accounts receivable, net		1,590
Prepaid expenses and deposits		28,400
Operating lease right-of-use assets, net		236,302
Property and equipment, net		<u>91,083</u>

TOTAL ASSETS \$ 7,990,499

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$	280,114
Accrued payroll		120,811
Accrued vacation		146,850
Grants payable		83,334
Contract liabilities		25,000
Operating lease liabilities		<u>258,704</u>

TOTAL LIABILITIES 914,813

COMMITMENTS AND CONTINGENCIES

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NET ASSETS

Without donor restrictions		3,185,255
With donor restrictions		<u>3,890,431</u>

TOTAL NET ASSETS 7,075,686

TOTAL LIABILITIES AND NET ASSETS \$ 7,990,499

See accompanying notes to the financial statements.

CALIFORNIA BUDGET & POLICY CENTER

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants and contributions	\$ 274,239	\$ 4,216,083	\$ 4,490,322
Conferences	97,642	-	97,642
Investment return, net	278,749	-	278,749
Publications and subscriptions	1,325	-	1,325
<i>Net assets released from restrictions</i>	4,382,243	(4,382,243)	-
TOTAL SUPPORT AND REVENUE	5,034,198	(166,160)	4,868,038
EXPENSES			
Program services	4,748,620	-	4,748,620
General and administrative	823,678	-	823,678
Fundraising	38,527	-	38,527
TOTAL EXPENSES	5,610,825	-	5,610,825
CHANGE IN NET ASSETS	(576,627)	(166,160)	(742,787)
NET ASSETS AT BEGINNING OF YEAR, AS ORIGINALLY REPORTED	2,983,906	6,119,477	9,103,383
RESTATEMENT	777,976	(2,062,886)	(1,284,910)
NET ASSETS AT BEGINNING OF YEAR, AS RESTATED	3,761,882	4,056,591	7,818,473
NET ASSETS AT END OF YEAR	\$ 3,185,255	\$ 3,890,431	\$ 7,075,686

See accompanying notes to the financial statements.

CALIFORNIA BUDGET & POLICY CENTER

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	Supporting Services			Total
	Program Services	General and Administrative	Fundraising	
Salaries and wages	\$ 2,545,031	\$ 121,192	\$ 26,932	\$ 2,693,155
Payroll taxes and benefits	664,493	31,643	7,032	703,168
Grant expense	1,094,363	-	-	1,094,363
Occupancy	105,662	5,032	1,118	111,812
Professional services	44,794	179,132	61	223,987
Publication	-	61,925	-	61,925
Consulting	34,245	218,490	2,553	255,288
Supplies	18,839	6,437	199	25,475
Staff development	-	117,378	-	117,378
Depreciation	31,076	1,480	329	32,885
Equipment costs	-	-	-	-
Workers compensation	-	-	-	-
Miscellaneous	11,120	530	118	11,768
Insurance	7,313	348	77	7,738
Computer services	7,435	354	79	7,868
Telephone	-	-	-	-
Fundraising events	-	-	-	-
Meetings and conferences	183,065	115	26	183,206
Travel	-	79,076	-	79,076
Postage	291	423	3	717
Board of Directors	-	-	-	-
Printing	893	123	-	1,016
TOTAL EXPENSES	\$ 4,748,620	\$ 823,678	\$ 38,527	\$ 5,610,825

See accompanying notes to the financial statements.

CALIFORNIA BUDGET & POLICY CENTER

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (742,787)
<i>Adjustments to reconcile change in net assets to net cash used in operating activities:</i>	
Depreciation	32,885
Realized and unrealized (gain) loss on investments	(34,204)
Changes in operating assets and liabilities:	
Accounts receivable, net	33,660
Grants receivable, net	258,840
Prepaid expenses and deposits	47,805
Operating lease right-of-use assets, net	52,366
Accounts payable	67,134
Accrued payroll	116,938
Accrued vacation	(67)
Grants payable	83,334
Contract liabilities	25,000
Operating lease liabilities	<u>(38,922)</u>

NET CASH USED IN OPERATING ACTIVITIES (98,018)

CASH FLOWS FROM INVESTING ACTIVITIES:

Cash paid for purchases of investments	(2,246,415)
Proceeds from sale of investments	<u>707,000</u>

NET CASH USED IN INVESTING ACTIVITIES (1,586,341)

NET CHANGE IN CASH AND CASH EQUIVALENTS (1,684,359)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 4,313,143

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 2,628,784

SUPPLEMENTARY INFORMATION:

Cash paid for income taxes	\$ <u><u>-</u></u>
Cash paid for interest	\$ <u><u>-</u></u>

See accompanying notes to the financial statements.

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE A - ORGANIZATION

California Budget & Policy Center (the Center) based in Sacramento, California, is a nonprofit public benefit corporation established under the laws of the State of California for the purpose to serve as a resource to the media, policymakers, and state and local constituency groups seeking accurate information and analysis of a range of state policy issues. Through independent fiscal and policy analysis, public education, and collaboration with other organizations, the Center works to improve public policies affecting the economic and social well-being of low and middle-income Californians. The Center receives the majority of its revenue from private Center grants. The Center's other revenue sources include contracts, donations and conference registrations.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The financial statements of the Center have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Center to report information regarding its financial position and activities according to the following net asset classifications:

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Center considers all unrestricted highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Investments: The Center carries investments in marketable securities at their fair values in the Statement of Financial Position. Purchases and sales of securities are reflected on a trade-date basis. Unrealized and realized gains and losses are included in the accompanying Statement of Activities. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date. Investment income and gains restricted by a donor are reported as increases or decreases in net assets with or without donor restrictions depending on the nature of the restrictions.

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Grants, Contributions Revenue and Receivables: Grants and contributions are recognized when cash, securities, or other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Assets received with donor-imposed conditions are reported as “Refundable Advances” in the Statement of Financial Position until the conditions have been substantially met.

Grants and contributions received are recorded as support with or without donor restrictions, depending on the existence or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. 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 statement of activities as net assets released from restrictions.

Grants and contribution receivables that are expected to be collected within one year are recorded at net realizable value. Contributions receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Based on historical experience, an assessment of economic conditions, and a review of subsequent collections, management expects all such contributions to be collectible. Accordingly, no allowance for uncollectible contributions has been established as of December 31, 2024.

Donated Services and Facilities: Donated services and facilities are recognized as public support and as a corresponding expense at the estimated fair value on the date donated. Donated services and facilities are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with these skills, and would otherwise be purchased by the Center.

Accounts Receivable: Accounts receivable consists primarily of amounts due from government agencies and other nonprofits. The allowance for doubtful accounts reflects our best estimate of probable losses inherent in the accounts receivable balance. We determine the allowance based on known troubled accounts, historical experience, and other currently available evidence. The Center deems all amounts collectible; therefore, no allowance for doubtful accounts has been recorded as of December 31, 2024.

Revenue Recognition: Revenue is measured based on the amount of consideration specified in a contract with a customer. Revenue is recognized when earned and as our performance obligations under the terms of the contract are satisfied which generally occurs when the services are provided.

Conferences, Publications and Subscriptions – The Center establishes contracts with its customers for services provided. Revenue is recognized at the point in time when control of the product or service has been transferred to the customer. The amount of revenue recognized reflects the consideration the Center expects to receive in exchange for satisfying distinct performance obligations. Customer payments on contracts are typically due within 30 days of billing.

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Contract Assets and Liabilities - When billing occurs subsequent to revenue recognition, resulting in unbilled revenue, a contract asset ensues and is presented under the caption "Contract assets" in the statement of financial position. This represents unbilled revenues which arise when revenue has been earned but the amount will not be billed until a later date. When advances or deposits from customers or funders are received, resulting in deferred revenue, a contract liability ensues and is presented under the caption "Contract Liabilities" in the statement of financial position. This represents deferred revenue when the Center has billed a customer or funder in excess of revenue recognized to date or when payments are received in advance.

Property and Equipment: The Center capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are carried at cost. Donated fixed assets are recorded at fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the assets ranging from 3 to 7 years.

Leases: The Center determines if a contract is considered or contains an embedded lease at inception of the agreement. The Center's right-of-use assets represent the right to use the underlying assets for the lease term and the lease liabilities represent the Center's obligation to make lease payments arising from the leases. The lease commencement date is when the asset is available for use and in possession of the Center. Right-of-use assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Center has elected to apply a risk-free rate as of the date of inception of the lease, using the applicable "U.S. Department of Treasury Daily Treasury Yield Curve Rates" as the basis for its discount rate. The lease standard requires organizations to record right-of-use asset and lease liability for all leases with a term longer than twelve months. The Center has elected not to record leases of less than twelve months on the statement of financial position. The Center's lease agreements do not contain any material restrictive covenants.

The Center predominantly leases office space that we occupy, as well as a lease for a printer. The Center's office lease agreement has an initial term of 39 months and the printer lease has an initial lease term of 60 months. The exercise of lease renewal options is at the Center's sole discretion. The lease term, which includes any options to renew that are reasonably certain to be exercised, is based on the terms of the contract. The Center recognizes operating lease expense on the statement of activities on a straight-line basis over the lease term.

Accrued Vacation: It is the Center's policy to accumulate a limited amount of earned but unused vacation time, which will be paid to employees upon taking vacations or upon separation.

Functional Allocation of Expenses: Expenses that can be identified with a specific program or supporting service are charged directly to the related program or service. Expenses associated with more than one program or supporting service are allocated to functional categories using allocation methods appropriate to the nature of the expense. The expenses that are allocated include salaries, wages, payroll taxes and employee benefits, rent, office supplies, depreciation, insurance, postage and miscellaneous expenses, are allocated based on time and effort.

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Financial Instruments and Credit Risk: The Center manages deposit concentrations risk by placing cash, money market accounts, and certificates of deposits with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed the Federal Deposit Insurance Corporation (FDIC) insured limits or include uninsured investments in money market mutual funds. To date, the Center has not experienced losses in any of these accounts. Credit risk associated with grants receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from organizations supportive of our mission.

Income Tax Status: The Center is a nonprofit organization exempt from income taxes under Internal Revenue Code Section 501(c)(3), and Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been made. The Center has been classified as an entity that is not a private Center within the meaning of Internal Revenue Code Section 170(b)(1)(A)(vi).

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

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

NOTE C – RESTATEMENT OF THE BEGINNING NET ASSET BALANCE

The Center determined that the beginning net asset balances included contingent contributions, and the conditions had not been substantially met prior to December 31, 2023. The beginning net asset balance was reduced by \$1,284,910.

NOTE D – INVESTMENTS AND FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the least priority to unobservable inputs (Level 3).

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE D – INVESTMENTS AND FAIR VALUE MEASUREMENTS – Continued

The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs: Quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3: Pricing inputs are unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the assets or liabilities. The inputs into the determination of fair value require significant management judgment or estimation.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no significant changes in the methodologies used during the year ended December 31, 2024.

Mutual funds: Valued at closing price reported in the active market on which the individual securities are traded.

Certificates of Deposit: Valued by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the valuation methods are appropriate and consistent within the industry, the use of different methodologies or assumption to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following table presents the balances of assets measured at fair value on a recurring basis at December 31, 2024:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 1,496,415	\$ -	\$ -	\$ 1,496,415
Certificates of deposit	-	3,507,925	-	3,507,925
Total investments	\$ 1,496,415	\$ 3,507,925	\$ -	\$ 5,004,340

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE E – PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following at December 31, 2024:

Furniture and equipment	\$	212,513
Less: accumulated depreciation		<u>(121,430)</u>
Property and equipment, net	\$	<u><u>91,083</u></u>

Depreciation expense for the year ended December 31, 2024 was \$32,885.

NOTE F – LEASES

The Center leases office space and printers under an operating lease. Operating leases costs were \$111,811 during 2024. As of December 31, 2024 the weighted-average remaining lease term is 2.3 years, and the weighted average discount rate is 4.58%. Future minimum lease payments under these operating leases as of December 31, 2024 were as follows:

	2025	\$	120,113
	2026		123,704
	2027		24,267
	2028		<u>3,195</u>
Total future minimum lease payments	\$		271,279
Less: imputed interest			<u>(12,575)</u>
Total operating lease liabilities	\$		<u><u>258,704</u></u>

NOTE G - NET ASSETS

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2024:

Subject to the Passage of Time		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	\$	2,076,272
Subject to the Expenditure for Specified Purpose:		
Budget Power Project		898,536
Health		699,996
Early Learning		104,169
Housing and Homelessness		66,668
Education		32,290
Tax Policy		<u>12,500</u>
Total Subject to Expenditure for Specified Purpose:		<u>1,814,159</u>
Total net assets with donor restrictions	\$	<u><u>3,890,431</u></u>

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE G - NET ASSETS – Continued

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors as follows for the year ended December 31, 2024:

Expiration of time restrictions	\$	2,510,081
Satisfaction of purpose restrictions:		
Budget Power Project		1,265,761
Health		200,004
Early Learning		199,998
Education		67,710
Tax Policy		62,500
State Policy Fellowship		40,000
Housing and Homelessness		33,332
Leadership Coaching		2,857
		<u>1,872,162</u>
Total restrictions released	\$	<u>4,382,243</u>

NOTE H – RETIREMENT PLAN

The Center’s Board of Directors approved a Simplified Employee Pension Plan covering employees with one year of service or more. Employer contributions to the plan are made at the discretion of the Board of Directors and are based on an approved percentage of annual compensation. The Center contributed \$247,814 during the year ended December 31, 2024.

NOTE I – REVENUE FROM CONTRACTS WITH CUSTOMERS

Receivables from contracts with customers are reported as accounts receivable, net in the accompanying statement of financial position. Contract liabilities consist of prepayments for events or conferences. The beginning and ending balances for accounts receivables and deferred revenue were as follows for the year ended December 31, 2024:

	2024	
	January 1	December 31
Accounts receivable, net	\$ 35,250	\$ 1,590
Contract liabilities	\$ -	\$ 25,000

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE I – REVENUE FROM CONTRACTS WITH CUSTOMERS – Continued

The following table provides information about significant changes in contract liabilities for the year ended December 31, 2024:

	<u>2024</u>
Contract liabilities, beginning of year	\$ -
Revenue recognized related to the contract liability beginning balance	-
Increases in contract liability due to cash received during the period	<u>25,000</u>
Contract liabilities, end of year	<u>\$ 35,867</u>

NOTE J – CONCENTRATIONS

The Center receives the majority of its revenue by private foundation grants. During 2024, four different grant agreements accounted for 54% of the Center's total support and revenue, including grants awarded for multiple years.

The Center maintained its cash balances with one banking institution. These accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2024, the Center had an uninsured cash balance of \$2,354,263.

NOTE K – AVAILABILITY AND LIQUIDITY

The following represents the Center's financial assets at December 31, 2024:

Financial assets at year-end:	
Cash and cash equivalents	\$ 2,628,784
Investments	5,004,340
Contracts and grants receivable, net	<u>1,590</u>
Total financial assets	<u>7,634,714</u>
Less amounts not available to be used within one year:	
Contractual or donor-imposed restrictions:	
Restricted by donor with purpose restrictions	1,814,159
Contract liabilities	25,000
Grants payable	<u>83,334</u>
	<u>1,922,493</u>
Financial assets available to meet general expenditures within one year	<u>\$ 5,712,221</u>

The Center regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Center invests cash in excess of daily requirements in short-term investments, certificates of deposit, and money market funds.

CALIFORNIA BUDGET & POLICY CENTER

NOTES TO FINANCIAL STATEMENTS

NOTE L – SUBSEQUENT EVENTS

In preparing the financial statements, the Center has evaluated events and transactions for potential recognition or disclosure through August 11, 2025, the date that the financial statements were available to be issued.