Communities in Schools of Los Angeles, Inc.

Financial Statements

June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Communities in Schools of Los Angeles, Inc.

Opinion

We have audited the accompanying financial statements of Communities in Schools of Los Angeles, Inc. (the "CISLA"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Communities in Schools of Los Angeles, Inc. as of June 30, 2025 and 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.

Basis for Opinion

We conducted our audits 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 Communities in Schools of Los Angeles, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Communities in Schools of Los Angeles, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 Communities in Schools of Los Angeles, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Communities in Schools of Los Angeles, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Armanino LLP

Los Angeles, California

March 5, 2026

Communities in Schools of Los Angeles, Inc.
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 1,917,489	$ 1,541,125
Government grants receivable	330,678	638,943
Contributions and grants receivable	1,426,519	1,339,822
Investments	-	401,948
Prepaid expenses and other assets	27,902	27,847
Property and equipment, net	10,048	16,563
Total assets	$ 3,712,636	$ 3,966,248
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	$ 281,482	$ 343,278
Line of credit	35,478	-
Total liabilities	316,960	343,278
Net assets		
Without donor restrictions		
Board-designated - working capital reserve	820,043	1,225,762
Board-designated - building reserve	500,000	500,000
Undesignated	638,583	567,240
Total without donor restrictions	1,958,626	2,293,002
With donor restrictions	1,437,050	1,329,968
Total net assets	3,395,676	3,622,970
Total liabilities and net assets	$ 3,712,636	$ 3,966,248

Communities in Schools of Los Angeles, Inc.
Statement of Activities
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions and grants	$ 1,476,995	$ 1,120,230	$ 2,597,225
Government grants	1,171,050	-	1,171,050
In-kind revenue	30,953	-	30,953
Special events, net of direct donor benefit of $62,767	114,650	-	114,650
Investment income, net	67,677	-	67,677
Other revenue	872	-	872
Net assets released from restriction	1,013,148	(1,013,148)	-
Total revenues, gains, and other support	3,875,345	107,082	3,982,427
Functional expenses			
Program services	3,136,514	-	3,136,514
Management and general	527,641	-	527,641
Fundraising	545,566	-	545,566
Total functional expenses	4,209,721	-	4,209,721
Change in net assets	(334,376)	107,082	(227,294)
Net assets, beginning of year	2,293,002	1,329,968	3,622,970
Net assets, end of year	$ 1,958,626	$ 1,437,050	$ 3,395,676

Communities in Schools of Los Angeles, Inc.
Statement of Activities
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions and grants	$ 1,333,064	$ 1,193,436	$ 2,526,500
Government grants	1,188,356	-	1,188,356
In-kind revenue	43,896	-	43,896
Special events, net of direct donor benefit of $91,439	282,940	-	282,940
Investment income, net	113,057	-	113,057
Other revenue	18,000	-	18,000
Net assets released from restriction	970,226	(970,226)	-
Total revenues, gains, and other support	3,949,539	223,210	4,172,749
Functional expenses			
Program services	3,844,579	-	3,844,579
Management and general	443,208	-	443,208
Fundraising	628,576	-	628,576
Total functional expenses	4,916,363	-	4,916,363
Change in net assets	(966,824)	223,210	(743,614)
Net assets, beginning of year	3,259,826	1,106,758	4,366,584
Net assets, end of year	$ 2,293,002	$ 1,329,968	$ 3,622,970

Communities in Schools of Los Angeles, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services	Management and General	Fundraising	Total
Personnel expenses				
Salaries and wages	$ 2,241,458	$ 322,576	$ 378,061	$ 2,942,095
Payroll taxes	177,982	25,614	30,020	233,616
Employee benefits	154,322	22,209	26,542	203,073
Total personnel expenses	2,573,762	370,399	434,623	3,378,784
Depreciation	7,762	1,117	1,310	10,189
Facility expenses	17,679	2,544	2,981	23,204
Fundraising/marketing expenses	-	-	26,308	26,308
Insurance	11,679	1,681	1,970	15,330
Other general and administrative	42,434	22,266	8,651	73,351
Professional services	-	121,254	20,868	142,122
Student support	417,144	-	13,190	430,334
Scholarships	27,133	-	-	27,133
Special events expenses	-	-	89,518	89,518
Telecommunication	17,341	5,274	5,275	27,890
Worker's compensation insurance	21,580	3,106	3,639	28,325
Total functional expenses	3,136,514	527,641	608,333	4,272,488
Less: Direct donor benefit	-	-	(62,767)	(62,767)
	$ 3,136,514	$ 527,641	$ 545,566	$ 4,209,721

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

Communities in Schools of Los Angeles, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services	Management and General	Fundraising	Total
Personnel expenses				
Salaries and wages	$ 2,950,840	$ 294,433	$ 479,915	$ 3,725,188
Payroll taxes	233,514	23,300	37,978	294,792
Employee benefits	197,768	19,309	32,468	249,545
Total personnel expenses	3,382,122	337,042	550,361	4,269,525
Depreciation	9,651	944	1,588	12,183
Facility expenses	17,832	1,745	2,934	22,511
Fundraising/marketing expenses	-	-	33,223	33,223
Insurance	12,775	1,250	2,102	16,127
Other general and administrative	46,390	4,750	7,718	58,858
Professional services	-	87,008	3,019	90,027
Student support	290,122	-	-	290,122
Scholarships	26,300	-	-	26,300
Special events expenses	-	-	106,263	106,263
Telecommunication	24,326	7,038	7,038	38,402
Worker's compensation insurance	35,061	3,431	5,769	44,261
Total functional expenses	3,844,579	443,208	720,015	5,007,802
Less: Direct donor benefit	-	-	(91,439)	(91,439)
	$ 3,844,579	$ 443,208	$ 628,576	$ 4,916,363

Communities in Schools of Los Angeles, Inc.
Statements of Cash Flows
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	$ (227,294)	$ (743,614)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	10,189	12,183
Changes in operating assets and liabilities		
Government grants receivable	308,265	-
Contributions and grants receivable	(86,697)	(969,800)
Prepaid expenses and other assets	(55)	8,373
Accounts payable and accrued expenses	(61,796)	207,009
Contract advances	-	(83,146)
Net cash used in operating activities	(57,388)	(1,568,995)
Cash flows from investing activities		
Purchases of investments	(67,052)	-
Proceeds from sales of investments	469,000	1,429,449
Purchases of property and equipment	(3,674)	(13,931)
Net cash provided by investing activities	398,274	1,415,518
Cash flows from financing activities		
Borrowings on line of credit	35,478	-
Net cash provided by financing activities	35,478	-
Net increase (decrease) in cash and cash equivalents	376,364	(153,477)
Cash and cash equivalents, beginning of year	1,541,125	1,694,602
Cash and cash equivalents, end of year	$ 1,917,489	$ 1,541,125

1. NATURE OF OPERATIONS

Communities in Schools of Los Angeles, Inc. ("CISLA") is a California nonprofit corporation dedicated to surrounding students with a community of support, empowering them to stay in school and achieve in life. Since its founding in 2007, CISLA has worked toward a vision that students in LA public schools receive the support they need to develop emotional, social, and academic skills required to graduate high school ready for meaningful employment and higher education. CISLA has supported more than 40,000 students and their families, achieving graduation rates between 98% and 100% for case-managed seniors in the last several years.

As an independent affiliate of Communities in Schools ("CIS"), CISLA implements an Integrated Student Supports Program model that provides three (3) tiers of service:

- *Tier 1 (School-wide Services)*: CISLA works with school leaders to identify schoolwide critical priorities and formalize a School Support Plan to serve as strategic roadmap for the year.
- *Tier 2 (Targeted Groups)*: CISLA leads community-responsive group programs to engage students and parents on issues impacting their education.
- *Tier 3 (Individual Case Management)*: CISLA works with educators to identify 5-10% of vulnerable students and provides 1:1 support to them throughout the year.

In the 2024-2025 school year, CISLA reached a population of 12,461 K-12 students, including 1,041 students who received individualized case management. In 2024-25, 89% of CISLA's case-managed students were flagged as economically-disadvantaged by Los Angeles Unified School District ("LAUSD"). CISLA worked in fifteen Title I public schools across Los Angeles, including Stevenson Middle School, Hollenbeck Middle School, Felicitas & Gonzalo Mendez High School, John Liechty Middle School, Belmont High School, William Jefferson Clinton Middle School, Santee Education Complex, Mark Twain Middle School, Daniel Webster Middle School, Alexander Hamilton High School, 99th Street Elementary School, 107th Street Elementary School, Grape Street Elementary School, Edwin Markham Middle School, and Jordan High School.

In 2024-25, CISLA continued a Summer Program which extends the CISLA model to support students transitioning from middle school to the high schools that CISLA currently operates inside of. The program empowers CISLA staff to provide students with ongoing academic and socio-emotional support during those critical summer months when they are out of school, often with little or no proper supervision and resources. The Advocacy Initiative continued to grow CISLA's direct-service and community-rooted experts, including staff, school administrators, students and parents/caretakers, with education and civic leaders. This past year, CISLA focused its advocacy on bridging the digital gaps that impact low-income students and the neighborhoods that we serve.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

CISLA prepares its financial statements on an accrual basis and in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). CISLA is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions. Accordingly, net assets are reported as follows:

- *Net assets without donor restrictions* - Net assets not subject to donor-imposed stipulations and net assets designated by the board of directors for specific purposes.
- *Net assets without donor restrictions - board designated* - Include net assets without donor restrictions the CISLA's Board of Directors has segregated for reserves.
- *Net assets with donor restrictions* - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released 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.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law. Expirations of restrictions on net assets (i.e. the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as transfers between the applicable classes of net assets. Contributions with donor-imposed restrictions whose restriction are satisfied in the same reporting period as received are reported as net assets without donor restrictions. Investment income (e.g. interest and dividends and realized and unrealized gains/losses) with donor-imposed restrictions that are met in the same year as earned are also reported as net assets without donor restrictions.

Fair value measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. CISLA determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. This hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels:

- *Level 1* - Quoted market prices are available in active markets for identical assets or liabilities as of the reporting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurements (continued)

- *Level 2* - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.
- *Level 3* - Pricing inputs are unobservable and shall be used to measure fair value to the extent that observable inputs are not available. The inputs into the determination of fair value are based upon the best information available and require significant management judgment or estimation.

Investments

Investments are stated at fair value. The estimated fair value of investments is based on quoted market prices. Unrealized gains or losses on investments resulting from fair value fluctuations are recorded in the statements of activities. Interest and dividends are recorded net of investment management fees on the accompanying statement of activities.

Investments in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Property and equipment

Equipment that is purchased is stated at cost; donated assets are stated at fair value at the date of acquisition. CISLA capitalizes equipment purchases of $500 or more. CISLA uses the straight-line method for the computation of depreciation over three years on equipment.

Grants and contracts

CISLA receives grants and contracts to support its programs at various schools and are recorded as a component of government grant revenues. Government grant revenue is generally recognized on a cost reimbursement basis. School district contracts are recognized over the period of the grant term.

Contributions and grants and government grants receivable

Contributions received are reported as net assets with or without donor restrictions, depending upon the absence or presence of donor restrictions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions and grants and government grants receivable (continued)

Contributions, including unconditional promises to give, are recognized as revenue in the period received and reported in their appropriate net asset group, subject to the existence or absence of donor-imposed stipulations. Conditional promises, 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 met. Contributions of assets other than cash are recorded at their estimated fair value.

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.

An allowance for doubtful contributions and grants and government grants receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution and current aging of contributions receivable. There was no allowance for doubtful contributions and grants and government grants receivable as of June 30, 2025.

In-kind revenue

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by CISLA. Donated professional services and non-cash donations are recorded as in-kind revenue at their estimated fair value at the date of receipt and reported as expense when utilized.

Income taxes

CISLA is a nonprofit, tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income and state franchise taxes on related income pursuant to Section 501(a) of the Code and similar provisions of the California Franchise Tax Code. CISLA does not engage in any significant unrelated trades or businesses. Accordingly, no provision for income taxes is required.

U.S. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes all of the positions taken by CISLA are more likely than not to be sustained upon examination.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional allocation of expenses

Management's estimate of the functional expenses shared between program, management and general, and fundraising is based on a reasonable and consistent basis. Salaries and related expenses are allocated based upon the estimated time expended by the employees. Other expenses are allocated according to management's estimates or on a direct basis.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements. The reclassifications had no impact on previously reported net assets and change in net assets.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and disclosures made in the accompanying notes to the financial statements. While management believes these estimates are adequate, actual results could differ from those estimates.

Subsequent events

Subsequent events have been evaluated through March 5, 2026, the date that these financial statements were available to be issued. There were no subsequent events that would require adjustments or disclosures in these financial statements.

3. LIQUIDITY AND AVAILABILITY

CISLA monitors its liquidity in order to meet operating needs and other contractual commitments while maintaining sufficient resources to meet donor restrictions placed on contributed financial assets.

As part of CISLA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

3. LIQUIDITY AND AVAILABILITY (continued)

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date at June 30, 2025 and 2024, comprise the following:

	2025	2024
Cash and cash equivalents	$ 1,917,489	$ 1,541,125
Government grants receivable	330,678	638,943
Contributions and grants receivable	1,426,519	1,339,822
Investments	-	401,948
	3,674,686	3,921,838
Less amounts unavailable for general expenditure within one year:		
Net assets with donor restrictions	(1,437,050)	(1,329,968)
Board-designated net assets	(1,320,043)	(1,725,762)
	(2,757,093)	(3,055,730)
	$ 917,593	$ 866,108

CISLA receives significant grants and contributions each year from grantors and donors, which are available to meet annual cash needs for general expenditures and for specific purposes within the program mission. CISLA spends approximately 75% of the expenses in program, of which, a portion is funded by donor-restricted contributions. CISLA forecasts its future cash flows and monitors its liquidity on a weekly basis. The board-designated net assets as of June 30, 2025 of $1,320,043 could be made available in its entirety if needed. Furthermore, CISLA has access to a line of credit with a maximum amount of $500,000 for the year ended June 30, 2025.

4. CONTRIBUTIONS AND GRANTS AND GOVERNMENT GRANTS RECEIVABLE

Contributions and grants and government grants receivable consisted of the following:

	2025	2024
Government grants receivable	$ 330,678	$ 638,943
Contributions and grants receivable	1,426,519	1,339,822
	$ 1,757,197	$ 1,978,765

4. CONTRIBUTIONS AND GRANTS AND GOVERNMENT GRANTS RECEIVABLE (continued)

Contributions and grants and government grants receivable consisted of the following:

	2025	2024
Less than one year	$ 1,231,712	$ 1,565,923
One to five years	525,485	412,842
	$ 1,757,197	$ 1,978,765

5. INVESTMENTS AND FAIR VALUE MEASUREMENTS

There were no investments at June 30, 2025. All investments at June 30, 2024 were U.S Treasury bonds and measured at Level 1.

6. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

	2025	2024
Furniture and fixtures	$ 71,603	$ 67,930
Accumulated depreciation	(61,555)	(51,367)
	$ 10,048	$ 16,563

Depreciation expense for the years ended June 30, 2025 and 2024 was $10,189 and $12,183, respectively.

7. LINE OF CREDIT

On October 11, 2024, CISLA renewed the line of credit with Local Initiatives Support Corporation for $500,000. The maturity date on the line of credit is November 1, 2026 and has an interest rate of 7.85%. As of June 30, 2025, the balance on the line of credit was $35,478, As of June 30, 2024, there was no balance on the line of credit.

8. NET ASSETS WITHOUT DONOR RESTRICTIONS - BOARD DESIGNATED

Within net assets without donor restrictions, the board of directors has designated balances made up of money market funds for CISLA's working capital and building reserves.

8. NET ASSETS WITHOUT DONOR RESTRICTIONS - BOARD DESIGNATED (continued)

The activities in these board designated funds for the years ended June 30, 2025 and 2024 are as follows:

	Working Capital Reserve	Building Reserve	Total
Balance, June 30, 2023	$ 1,831,397	$ 500,000	$ 2,331,397
Investment income	113,057	-	113,057
Appropriations, net	(718,692)	-	(718,692)
Balance, June 30, 2024	$ 1,225,762	$ 500,000	$ 1,725,762
Investment income	67,677	-	67,677
Appropriations, net	(473,396)	-	(473,396)
Balance, June 30, 2025	$ 820,043	$ 500,000	$ 1,320,043

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	2025	2024
Subject to passage of time	$ -	$ 439,133
Subject to expenditure for specified purpose:		
Infrastructure for expansion in Watts and Boyle Heights	1,023,187	608,922
Civic engagement and advocacy	112,500	200,000
Others	201,363	32,399
Summer programming	100,000	49,514
	1,437,050	890,835
	$ 1,437,050	$ 1,329,968

9. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions released from restriction during the year were as follows:

	2025	2024
Subjected to passage of time	$ 439,133	$ 435,867
Infrastructure for expansion in Watts and Boyle Heights	404,501	100,000
Self empowerment	-	50,000
Civic engagement and advocacy	100,000	300,000
Others	-	68,538
Summer programming	69,514	-
Scholarships	-	15,821
	$ 1,013,148	$ 970,226

10. IN-KIND REVENUE

During the years ended June 30, 2025 and 2024, CISLA received donated professional services from an organization that received no economic benefit in return. The fair value of the professional services is based on number of hours and hourly fees that providers normally charge for such services. Office supplies are valued based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. CISLA did not monetize any contributed nonfinancial assets unless otherwise noted. Contributed nonfinancial assets did not have donor restrictions.

The following non-cash contributions are included as in-kind revenue in the financial statements at fair value:

	2025	2024
Items and supplies	$ 20,435	$ 33,242
Legal and professional development services	10,518	10,654
	$ 30,953	$ 43,896

No amounts are included in the accompanying statements of activities related to the fair value of donated volunteer services except the recognized professional services. Management of CISLA estimates as of June 30, 2025 and 2024, there were 312 hours and 545 hours of donated volunteer services, respectively.

11. RETIREMENT PLAN

In September 2015, CISLA adopted a 401(k) defined contribution retirement trust (the "Plan") that covers substantially all of its full time employees. CISLA may make discretionary contributions to the Plan. For the years ended June 30, 2025 and 2024, CISLA did not make any contributions to the plan.

12. RELATED PARTY

CISLA received contributions totaling approximately $95,500 and $29,000 from employees, and members of the Board for the years ended June 30, 2025 and 2024, respectively.

13. CONCENTRATION OF CREDIT RISK

CISLA maintains its cash in an interest bearing checking account at a recognized financial institution. The Federal Deposit Insurance Corporation insures cash accounts up to statutory limits. CISLA's cash accounts may exceed insured limits at times; CISLA has not experienced any losses in such accounts.

For the year ended June 30, 2025, two donors provided 25% of CISLA's total grants and contributions revenue. For the year ended June 30, 2024, three donors provided 55% of CISLA's total grants and contributions revenue.

For the year ended June 30, 2025, three donors constituted 55% of CISLA's total contributions and grants and government grants receivable balance. For the year ended June 30, 2024, four donors accounted for 85% of CISLA's total contributions and grants and government grants receivable balance.

LAUSD, under a Master Service Agreement, provided 48% and 53% of total grants and contracts revenues for the years ended June 30, 2025 and 2024, respectively. All contracted sites within the Organization have separate sub-agreements with CISLA. In July 2024, CISLA executed its third and final option to extend its agreement with LAUSD to September 15, 2025. On September 16, 2025, CISLA entered into a Limited Notice to Proceed with LAUSD to serve as an interim contract until October 15, 2026. On October 16, 2026, CISLA entered into a new Master Service Agreement with LAUSD through October 15, 2030.