

Annual Economic Statement

- Organization Name: Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality
 - Our fiscal year: January 1st to December 31st
 - Our EIN: 94-2161304
1. Name of the CEO or employee who has daily managerial responsibilities:
 - a. Vincent Pan
 - b. Cynthia Choi
 2. Names of officers and directors, and all other boards of directors on which they serve
 - a. Celia Lee, Chair
 - b. Lisa Lee, Vice Chair/Secretary
 - c. Chris Jocson, Treasurer
 - d. Miguel de la Fuente-Lau
 - e. Henry Der
 - f. Sandhya Jha
 - g. Michelle MiJung Kim
 - h. Jill Kunishima
 - i. Kosheno Moore
 - j. Chandara Phanachone
 - k. Brian Yee
 3. Total budget and expenditures, and a program-by-program description of all monies expended or budgeted during calendar or fiscal year
 - a. [Data available on ProPublica](#)
 4. Letter from the IRS showing your valid nonprofit status (attached)
 5. Most recent federal tax return filed under Section 990
 - a. [Data available on ProPublica](#)
 6. Verification of current valid registration with the State of California's Registry of Charitable Trusts
 - a. [Registry Details Search Tool](#) (pdf of listing also attached)

7. Audited financial statements, if applicable (attached)



IRS Department of the Treasury
Internal Revenue Service

Cincinnati Service Center
CINCINNATI OH 45999-0038

In reply refer to: 0256567250
July 31, 2023 LTR 4168C 0
94-2161304 000000 00

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BODC: TE

CHINESE FOR AFFIRMATIVE ACTION
ASIAN AMERICANS FOR CIVIL RIGHTS EQ
17 WALTER U LUM PL
SAN FRANCISCO CA 94108

059687

Employer ID number: 94-2161304
Form 990 required: Yes

Dear Sir or Madame:

We're responding to your request dated July 24, 2023, about your tax-exempt status.

We issued you a determination letter in April, 1972, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,

0256567250

July 31, 2023 LTR 4168C 0

94-2161304 000000 00

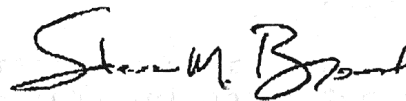
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CHINESE FOR AFFIRMATIVE ACTION
ASIAN AMERICANS FOR CIVIL RIGHTS EQ
17 WALTER U LUM PL
SAN FRANCISCO CA 94108

local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Steve M. Brown". The signature is fluid and cursive, with the first name "Steve" and last name "Brown" clearly distinguishable.

Steve M. Brown, Operations Manager
Operations 3-CIN

HOMEABOUTMEDIACAREERSREGULATIONSRESOURCESPROGRAMSCONTACT

Registrant Details

Entity type: Corporate Class as registered with the Secretary of State or based on founding & registration documents.

Organization Name:CHINESE FOR AFFIRMATIVE ACTION

Entity Type:Charitable or nonprofit corporation

IRS FEIN:942161304

SOS/FTB Corporate/Organization Number:0630615

Registry Status: Current

Renewal Due/Exp. Date: 5/15/2025

RCT Registration Number: 013489

Issue Date: 12/31/2004

Record Type: Charity Registration

Effective Date: 12/31/2004

Date of Last Renewal: 11/12/2024

DBA: ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

Mailing Address

Street:17 WALTER U LUM PLACE

Street Line 2:

City, State Zip:SAN FRANCISCO CA 94108

Filings & Correspondence

Founding Documents

Founding Documents

IRS Form 990 Series

2023

Online Renewal Submission

2023

Explanations For Yes Answers

2023

Explanations For Yes Answers

2022

IRS Form 990 Series

2022

Explanations For Yes Answers

2022

Online Renewal Submission

2022

IRS Form 990 Series

2021 IRS Form 990

Form RRF-1

2021

Renewal Filing

2020

CT-550 Form RRF-1 Incomplete

2019

Renewal Filing

2019

Renewal Filing

2018

CT-550 Form RRF-1 Incomplete

2017

Renewal Filing

2017

Form RRF-1

2016

IRS Form 990 Series

2016

2015 RRF-1

2015 RRF-1

2015 IRS Form 990

2015 IRS Form 990

RRF-1 2014

2014 RRF-1

IRS Form 990 2014

2014 IRS Form 990

RRF-1 2013

2013 RRF-1

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RRF-1 2012

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RRF-1 2004

2004 RRF-1

IRS Form 990 2004

2004 IRS Form 990

RRF-1 2003

2003 RRF-1

IRS Form 990 2003

2003 IRS Form 990

RRF-1 2002

2002 RRF-1

RRF-1 2001

2001 RRF-1

RRF-1 2000

2000 RRF-1

Annual Renewal Data

Related Registrations & Event Reports

The related records shown below depend on the record type being viewed:

- Charity Registrations relate to Professional Fundraising Events which relate to Professional Fundraiser Registrations.
- Raffle Registrations relate to Raffle Reports.
- Click on the RCT Registration No to navigate to the related record.

Prereq Type:PrerequisiteRelationship:Charity

Registrant:JILL MIE KUNISHIMA

Registration No:E0054734Registration Type:Fundraising EventRegistration Status:Complete

Date Established:6/27/2024Association Date:1/16/2024Expiration Date:5/19/2024

Prereq Type:PrerequisiteRelationship:Charity

Registrant:JINS EYEWEAR US, INC.

Registration No:E0035862Registration Type:Fundraising EventRegistration Status:Complete

Date Established:3/21/2019Association Date:3/1/2018Expiration Date:10/9/2018

Prereq Type:PrerequisiteRelationship:Charity

Registrant:JINS EYEWEAR US, INC.

Registration No:E0039329Registration Type:Fundraising EventRegistration Status:Complete

Date Established:5/4/2020Association Date:1/1/2019Expiration Date:12/31/2019

https://rct.doj.ca.gov/Verification/Web/Details.aspx?result=ffd083f6-cc3f-4435-8d99-74ca2da6e485

1/3

Details

Prereq Type:	Prerequisite	Relationship:	Charity		
Registrant:	JINS EYEWEAR US, INC.				
Registration No:	E0042577	Registration Type:	Fundraising Event	Registration Status:	Complete
Date Established:	1/29/2021	Association Date:	1/1/2020	Expiration Date:	12/31/2020
Prereq Type:	Prerequisite	Relationship:	Charity		
Registrant:	KLEIN & ROTH CONSULTING				
Registration No:	E0050522	Registration Type:	Fundraising Event	Registration Status:	Complete
Date Established:	4/26/2023	Association Date:	4/1/2023	Expiration Date:	12/31/2023
Prereq Type:	Prerequisite	Relationship:	Charity		
Registrant:	SUSAN KLEINMAN WALLIS CONSULTING, LLC				
Registration No:	E0047854	Registration Type:	Fundraising Event	Registration Status:	Complete
Date Established:	7/14/2022	Association Date:	1/1/2022	Expiration Date:	12/31/2022
Prereq Type:	Prerequisite	Relationship:	Charity		
Registrant:	SUSAN KLEINMAN WALLIS CONSULTING, LLC				
Registration No:	E0052916	Registration Type:	Fundraising Event	Registration Status:	Complete
Date Established:	1/9/2024	Association Date:	1/1/2023	Expiration Date:	12/31/2023
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2010		
Accounting Period End Date:			12/31/2010		
Filing Received Date:			11/17/2011		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2011		
Accounting Period End Date:			12/31/2011		
Filing Received Date:			11/21/2012		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2012		
Accounting Period End Date:			12/31/2012		
Filing Received Date:			8/9/2013		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2013		
Accounting Period End Date:			12/31/2013		
Filing Received Date:			8/13/2014		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2014		
Accounting Period End Date:			12/31/2014		
Filing Received Date:			8/6/2015		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2015		
Accounting Period End Date:			12/31/2015		
Filing Received Date:			8/15/2016		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2016		
Accounting Period End Date:			12/31/2016		
Filing Received Date:			11/14/2017		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2017		
Accounting Period End Date:			12/31/2017		
Filing Received Date:			10/25/2018		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2018		
Accounting Period End Date:			12/31/2018		
Filing Received Date:			11/19/2019		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2019		
Accounting Period End Date:			12/31/2019		
Filing Received Date:			11/16/2020		
Form RRF-1 Reject/Incomplete Reason:			Resubmission/Correction Accepted		
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:			Resubmission/Correction Accepted		
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2020		
Accounting Period End Date:			12/31/2020		
Filing Received Date:			10/18/2021		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					
Notes From Registry Staff:					
Status of Filing:			Accepted		
Accounting Period Begin Date:			1/1/2021		
Accounting Period End Date:			12/31/2021		
Filing Received Date:			12/1/2022		
Form RRF-1 Reject/Incomplete Reason:					
Form CT-TR-1 Reject/Incomplete Reason:					
IRS Form 990 Reject/Incomplete Reason:					

Notes From Registry Staff:	
Status of Filing:	E-Accepted
Accounting Period Begin Date:	1/1/2022
Accounting Period End Date:	12/31/2022
Filing Received Date:	10/30/2023
Form RRF-1 Reject/Incomplete Reason:	
Form CT-TR-1 Reject/Incomplete Reason:	
IRS Form 990 Reject/Incomplete Reason:	
Notes From Registry Staff:	
Status of Filing:	E-Accepted
Accounting Period Begin Date:	1/1/2023
Accounting Period End Date:	12/31/2023
Filing Received Date:	11/7/2024
Form RRF-1 Reject/Incomplete Reason:	
Form CT-TR-1 Reject/Incomplete Reason:	
IRS Form 990 Reject/Incomplete Reason:	
Notes From Registry Staff:	



**CHINESE FOR AFFIRMATIVE ACTION
DBA
ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

**FINANCIAL STATEMENTS
and
ADDITIONAL INFORMATION**

DECEMBER 31, 2024

PASADENA
2698 Mataro Street
Pasadena, CA 91107
p: 626.403.6801

A Trusted Nonprofit Partner

Main Fax: 626.900.9883
www.npocpas.com

WALNUT CREEK
2033 N. Main Street, #350
Walnut Creek, CA 94596
p: 925.469.8966

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Chinese for Affirmative Action
dba Asian Americans for Civil Rights and Equality

Opinion

We have audited the accompanying financial statements of Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality (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 Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality 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 Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT

continued

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 and *Government 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 and *Government 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 Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality'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 Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality'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.

Other Matter

Report on Summarized Comparative Information

We have previously audited Chinese for Affirmative Action 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 21, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

INDEPENDENT AUDITORS' REPORT

continued

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2025, on our consideration of Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's internal control over financial reporting and compliance.

Harrington Group

Walnut Creek, California

July 30, 2025

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

STATEMENT OF FINANCIAL POSITION

December 31, 2024

With comparative totals at December 31, 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents (Note 2)	\$ 1,473,254	\$ 2,223,755
Grants and contribution receivables (Note 4)	2,475,305	2,260,251
Contract receivables (Note 4)	1,760,254	1,699,471
Other receivables (Note 4)	65,882	50,830
Prepaid expenses and other assets	863,955	265,531
Investments (Note 5)	45,050,974	41,823,056
Right-of-use assets - operating leases (Note 9)	24,906	56,014
Property and equipment (Note 6)	<u>543,360</u>	<u>613,667</u>
TOTAL ASSETS	<u><u>\$ 52,257,890</u></u>	<u><u>\$ 48,992,575</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 618,753	\$ 552,546
Accrued liabilities (Note 7)	995,755	799,214
Deferred liabilities (Note 8)	724,766	337,237
Lease liabilities - operating leases (Note 9)	<u>25,534</u>	<u>56,588</u>
TOTAL LIABILITIES	<u>2,364,808</u>	<u>1,745,585</u>
NET ASSETS		
Without donor restrictions - undesignated	13,479,739	12,039,032
Without donor restrictions - designated		
Stop AAPI hate	20,656,485	19,843,827
AACRE program and capacity	10,391,783	9,438,403
With donor restrictions		
Purpose restrictions (Note 11)	5,165,075	5,725,728
Held in perpetuity (Note 12)	<u>200,000</u>	<u>200,000</u>
TOTAL NET ASSETS	<u>49,893,082</u>	<u>47,246,990</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 52,257,890</u></u>	<u><u>\$ 48,992,575</u></u>

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

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

STATEMENT OF ACTIVITIES
For the year ended December 31, 2024
With comparative totals for the year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	2024	2023
REVENUE AND SUPPORT				
Grants and contributions	\$ 1,912,808	\$ 5,529,440	\$ 7,442,248	\$ 9,528,059
Contract revenue	9,258,029		9,258,029	5,410,164
Investment income	1,265,435		1,265,435	1,146,807
Corporate donation	442,121		442,121	800,884
Special events	487,597		487,597	508,878
In-kind contributions (Note 14)	296,785		296,785	731,834
Other income	200,988		200,988	140,404
Net assets released from purpose restrictions (Note 11)	6,090,093	(6,090,093)	-	-
TOTAL REVENUE AND SUPPORT	19,953,856	(560,653)	19,393,203	18,267,030
EXPENSES				
Program services	16,802,953		16,802,953	14,492,372
Management and general	2,079,855		2,079,855	1,729,280
Fundraising	723,202		723,202	598,082
TOTAL EXPENSES	19,606,010	-	19,606,010	16,819,734
CHANGE IN NET ASSETS BEFORE OTHER CHANGES	347,846	(560,653)	(212,807)	1,447,296
OTHER CHANGES				
Gain on investments	2,858,899		2,858,899	3,079,292
CHANGE IN NET ASSETS	3,206,745	(560,653)	2,646,092	4,526,588
NET ASSETS, BEGINNING OF YEAR	41,321,262	5,925,728	47,246,990	42,720,402
NET ASSETS, END OF YEAR	<u>\$ 44,528,007</u>	<u>\$ 5,365,075</u>	<u>\$ 49,893,082</u>	<u>\$ 47,246,990</u>

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

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2024

With comparative totals for the year ended December 31, 2023

	Total Program Services	Management and General	Fundraising	Total Expenses 2024	2023
Salaries	\$ 8,903,443	\$ 1,028,132	\$ 322,688	\$ 10,254,263	\$ 8,637,377
Payroll taxes	674,253	75,661	24,438	774,352	646,500
Employee benefits	1,524,690	193,989	52,560	1,771,239	1,464,536
Total personnel costs	11,102,386	1,297,782	399,686	12,799,854	10,748,413
Consultants	1,555,516	540,685	123,518	2,219,719	1,808,525
Subcontractors	2,110,463			2,110,463	1,350,071
Food and catering	208,360	3,263	121,222	332,845	301,826
In-kind expenses	291,385		5,400	296,785	731,834
Travel	275,783	6,994	5,159	287,936	219,629
Stipends	200,636			200,636	236,531
Computer	86,284	70,039	408	156,731	164,753
Rental	136,693	8,219	9,602	154,514	228,121
Staff development	95,467	30,252	2,872	128,591	144,950
Bad debts	120,000			120,000	-
Office expense	90,345	5,743	22,782	118,870	75,201
Copying and printing	82,689	1,242	14,854	98,785	101,431
Telephone	78,568	7,429	500	86,497	72,460
Depreciation	65,634	4,673		70,307	73,947
Accounting and audit	-	52,956		52,956	45,000
Dues and donations	51,861	950		52,811	292,256
Rental - other	52,000			52,000	-
Insurance	31,950	19,501		51,451	39,633
Workshop/events	37,529		4,747	42,276	30,161
Payroll processing fee	8,298	24,658		32,956	9,445
Interpretation and translation	30,724	285		31,009	23,664
Bank charges	17,063	192	5,241	22,496	25,918
Fees and licenses	12,799	2,415	3,080	18,294	14,961
Utilities	17,630			17,630	16,788
Postage and delivery	10,319	2,384	2,457	15,160	16,486
Parking	11,763			11,763	9,720
Seminars and conferences	9,602		1,674	11,276	14,611
Books and publications	4,379			4,379	960
Repairs and maintenance	3,611	160		3,771	16,521
Advertising	2,244			2,244	1,058
Equipment rental	972			972	3,300
Miscellaneous	-	33		33	1,560
TOTAL 2024 FUNCTIONAL EXPENSES	\$ 16,802,953	\$ 2,079,855	\$ 723,202	\$ 19,606,010	
TOTAL 2023 FUNCTIONAL EXPENSES	\$ 14,492,372	\$ 1,729,280	\$ 598,082		\$ 16,819,734

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

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2024
With comparative totals for the year ended December 31, 2023
continued

	Program Services															Total Program Services	
	CAA	Stop AAPI Hate (SAH)	APEX	APSC	ARU	ASATA	HIP	Hyphen	Lavender Phoenix (formerly APIENC)	Viet/Unity	Visibility Project	BATJC	Movement Forward Fund (MFF)	Capital Campaign	Shared	2024	2023
Salaries	\$ 3,083,729	\$ 2,084,117	\$ -	\$ 881,512	\$ 374,172	\$ -	\$ 1,350,921	\$ -	\$ 771,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 357,755	\$ 8,903,443	\$ 7,313,891
Payroll taxes	235,386	160,141	-	67,027	28,410	-	103,822	-	59,356	-	-	-	-	-	20,111	674,253	546,187
Employee benefits	527,468	354,577	-	143,721	60,903	-	221,462	-	124,219	-	-	-	-	-	92,340	1,524,690	1,178,831
Total personnel costs	3,846,583	2,598,835	-	1,092,260	463,485	-	1,676,205	-	954,812	-	-	-	-	-	470,206	11,102,386	9,038,909
Consultants	225,286	875,746	14,521	126,417	80,221	10,513	62,593	4,984	5,750	-	8,377	19,000	-	-	122,108	1,555,516	1,519,860
Subcontractors	1,322,012	783,551	-	-	-	-	4,000	-	-	-	-	-	-	-	-	2,110,463	1,350,071
Food and catering	36,470	16,287	-	20,313	24,584	9,478	83,409	-	8,325	181	76	-	-	-	9,237	208,360	170,605
In-kind expenses	-	285,845	-	-	-	-	5,540	-	5,540	-	-	-	-	-	-	291,385	731,834
Travel	57,647	101,251	-	26,424	9,622	-	71,830	-	6,978	-	109	-	-	-	1,022	275,783	217,070
Stipends	33,242	8,524	-	50,002	30,424	16,075	40,109	-	21,600	-	-	-	-	-	660	200,636	235,197
Computer	30,045	25,036	988	3,825	3,233	851	14,382	632	5,968	-	-	-	-	-	1,324	86,284	122,150
Rental	15,267	11,051	-	27,159	24,244	4,012	38,662	-	10,694	-	-	-	-	-	5,604	136,693	214,779
Staff development	31,280	34,566	-	4,929	-	-	8,879	-	11,299	349	-	-	-	-	4,165	95,467	139,482
Bad debts	100,000	-	-	-	-	-	-	-	20,000	-	-	-	-	-	-	120,000	-
Office expense	16,599	15,041	225	10,007	8,829	1,373	27,174	792	5,178	101	165	-	-	-	4,861	90,345	64,937
Copying and printing	18,019	35,609	-	7,426	3,044	48	1,289	-	419	-	1,364	-	-	-	15,471	82,689	84,503
Telephone	33,245	12,831	-	8,077	2,003	-	20,646	-	296	-	-	-	-	-	1,470	78,568	66,925
Depreciation	12,561	-	-	-	-	-	-	-	-	-	-	-	-	53,073	-	65,634	68,754
Accounting and audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and donations	21,166	11,000	-	11,050	560	2,680	2,605	-	2,600	-	-	-	-	-	200	51,861	270,325
Rental - other	-	-	-	52,000	-	-	-	-	-	-	-	-	-	-	-	52,000	-
Insurance	-	-	-	-	885	-	-	-	38	-	-	-	-	-	31,027	31,950	33,133
Workshop/ events	3,094	1,743	-	1,603	5,662	2,819	21,962	-	80	-	-	-	-	-	566	37,529	24,328
Payroll processing fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,298	8,298	8,445
Interpretation and translation	11,732	8,195	-	-	-	-	1,000	-	230	-	-	-	-	-	9,567	30,724	23,664
Bank charges	10,083	10,083	41	1,597	555	935	153	-	3,259	12	7	-	67	-	354	17,063	20,252
Fees and licenses	1,156	9,953	-	174	117	24	20	1,050	305	-	-	-	-	-	-	12,799	11,066
Utilities	13,686	-	-	3,944	-	-	-	-	-	-	-	-	-	-	-	17,630	16,788
Postage and delivery	3,826	2,028	-	3,743	48	281	286	-	74	-	-	-	-	-	33	10,319	12,811
Parking	11,763	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,763	9,720
Seminars and conferences	2,300	6,872	-	330	-	-	100	-	-	-	-	-	-	-	-	9,602	14,121
Books and publications	470	1,256	-	2,475	126	30	-	-	-	-	-	-	-	-	22	4,379	960
Repairs and maintenance	3,111	-	-	-	-	-	500	-	-	-	-	-	-	-	-	3,611	16,521
Advertising	812	9	-	-	-	1,423	-	-	-	-	-	-	-	-	-	2,244	1,058
Equipment rental	-	-	-	422	400	-	-	-	-	-	-	-	-	-	-	972	2,604
Miscellaneous	-	-	-	-	-	-	150	-	-	-	-	-	-	-	-	-	1,500
TOTAL 2024 FUNCTIONAL EXPENSES	\$ 5,852,272	\$ 4,855,312	\$ 15,775	\$ 1,454,177	\$ 658,042	\$ 50,692	\$ 2,075,804	\$ 7,458	\$ 1,063,445	\$ 643	\$ 10,098	\$ 19,000	\$ 67	\$ 53,073	\$ 687,095	\$ 16,802,953	
TOTAL 2023 FUNCTIONAL EXPENSES	\$ 5,279,996	\$ 4,158,177	\$ 8,010	\$ 1,329,261	\$ 538,006	\$ 31,674	\$ 1,522,239	\$ 2,984	\$ 969,384	\$ 1,670	\$ 7,364	\$ 26,500	\$ 96	\$ 53,073	\$ 563,938		\$ 14,492,372

**CHINESE FOR AFFIRMATIVE ACTION
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STATEMENT OF CASH FLOWS
For the year ended December 31, 2024
With comparative totals for the year ended December 31, 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 2,646,092	\$ 4,526,588
Adjustments to reconcile change in net assets to net cash (used)		
by operating activities:		
Depreciation	70,307	95,863
(Gain) on investments, net	(2,855,462)	(3,076,204)
Forgiveness of paycheck protection program loan	-	-
(Increase) decrease in operating assets:		
Contract and grants receivable	(275,837)	(2,104,629)
Accounts receivable	(15,052)	(14,065)
Prepaid expenses and other assets	(598,424)	(77,278)
Amortization of right-of-use assets - operating leases	31,108	35,069
Reduction of lease liability - operating leases	(31,054)	(34,495)
Increase (decrease) in operating liabilities:		
Accounts payable	66,207	19,701
Accrued liabilities	196,541	382,336
Deferred liabilities	387,529	(14,694)
NET CASH (USED) BY OPERATING ACTIVITIES	(378,045)	(261,808)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	889,688	(5,553,449)
Reinvested interest and dividends	(1,262,144)	(1,133,608)
NET CASH (USED) BY INVESTING ACTIVITIES	(372,456)	(6,687,057)
NET (DECREASE) IN CASH	(750,501)	(6,948,865)
CASH, BEGINNING OF YEAR	2,223,755	9,172,620
CASH, END OF YEAR	\$ 1,473,254	\$ 2,223,755
NON-CASH OPERATING ACTIVITIES:		
Addition to right-of-use assets and lease liabilities in accordance with ASC 842	\$ 24,906	\$ 24,056
Right-of-use assets - operating leases from adoption of ASC 842	\$ -	\$ 91,083

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

CHINESE FOR AFFIRMATIVE ACTION DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

NOTES TO FINANCIAL STATEMENTS

1. **Organization**

A. General

Chinese for Affirmative Action (the “Organization”) is a non-profit organization founded in 1969 and established on August 3, 1971 in California. The Organization, located in San Francisco, promotes equal education, civil rights and economic opportunities for Asian Americans, Pacific Islanders, immigrants and other underserved communities through advocacy, research, services, community education and organizing.

The Organization has obtained a business name “Asian Americans for Civil Rights and Equality” (“AACRE”) to differentiate the Organization’s role as the fiscal hub and sponsor for the network of grassroots groups that are part of AACRE. The Board of Trustees conducts business under the AACRE name as the board acts on behalf of the entire network. However, Chinese for Affirmative Action remains the primary, legal name for the Organization, and the Organization continues to conduct business under this name.

Chinese for Affirmative Action, dba Asian Americans for Civil Rights and Equality, is supported primarily through government contracts, grants, donor contributions, and fundraising events.

B. Description of Programs

Chinese Affirmative Action Programs (CAA)

CAA was founded to protect the civil rights of Chinese Americans and to advance multiracial democracy in the United States of America. Today, CAA is a progressive voice in and on behalf of the broader Asian Pacific Islander (API) community. CAA advocates for systemic change that protects immigrant rights, promotes language diversity, and remedies racial injustice.

At the grassroots level, community building work nurtures the ability of immigrants to participate fully in civic life. These activities include leadership development for monolingual public school parents, employment services for limited-English proficient newcomers, outreach for immigrant legal services, and community and voter education underscoring issues that impact CAA's constituency.

In addition to community engagement, CAA leads advocacy to improve public policy and to inform public discourse. CAA produces community-based research, publishes policy analyses and recommendations, shapes opinion through ethnic and mainstream media, and organizes to engage elected and government officials.

At the state level, CAA conducts state legislative and budget advocacy in Sacramento. The Sacramento office identifies and seeks to advance policies and priorities that improve the lives of low-income, immigrant, and underserved communities.

Lastly, CAA spearheads initiatives to grow and sustain a progressive API movement. These multi-strategy and multi-constituency change projects consist of efforts that broaden and deepen the understanding of civil rights issues and support emerging API social justice leaders and activities.

CHINESE FOR AFFIRMATIVE ACTION DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

NOTES TO FINANCIAL STATEMENTS

1. **Organization, continued**

Movement Forward Fund (MFF)

The Movement Forward Fund was created in celebration of CAA's 50th anniversary to ensure the Organization can tackle the most pressing racial justice battles for the next 50 years, and to enable CAA to make a meaningful investment against the unprecedented racism and xenophobia facing immigrants right now. MFF includes an unrestricted action fund and endowment gifts. Planned, legacy, and named gifts are among the options to contribute to the endowment.

Stop AAPI Hate (SAH)

Stop AAPI Hate is an initiative led by CAA with AAPI Equity Alliance and San Francisco State University Asian American Studies Department to address racism and discrimination against Asian Americans and Pacific Islanders by raising awareness about anti-AAPI hate and advocating for comprehensive solutions that tackle the root causes of race-based hate.

Bay Area Transformative Justice (BATJC)

The Organization is a pre-approved grant sponsor for BATJC. The Bay Area Transformative Justice Collective is a volunteer run collective based out of Oakland, CA working to build and support transformative justice responses to child sexual abuse. Their work consists of securing safety and intervening in current violence, while also building long term spaces of accountability and strategies for healing and resilience for all survivors, bystanders, and those who have caused harm.

Asian Americans for Civil Rights and Equality (AACRE)

The Organizations is home to AACRE, a network of eleven social justice groups working to create positive change. In addition to being the fiscal sponsor for these community groups, AACRE strengthens their impact with coordinated and strategic leadership, collaboration, peer leaning, and back-office infrastructure that reduces administrative burden. Besides CAA, the groups in the AACRE network are:

APEX Express

APEX Express is a weekly magazine-style radio show featuring the voices and stories of Asians and Pacific Islanders from all corners of the community. The show is produced by a collective of media makers, disc jockeys, and activists and airs each week on KPFA 94.1FM in the San Francisco Bay Area.

Asian Prisoner Support Committee (APSC)

APSC seeks to address and challenge root causes of the growing API prisoner and detainee crisis, such as the deterioration of our educational system, the criminalization of our youth, and the lack of access to resources for low-income immigrants and communities. Activities include direct support for API incarcerated individuals, connection to social services for recently released individuals, research, and advocacy.

continued

CHINESE FOR AFFIRMATIVE ACTION DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

NOTES TO FINANCIAL STATEMENTS

1. **Organization, continued**

Asian Refugees United (ARU)

ARU builds the voice, visibility and power of the Bhutanese and Vietnamese immigrant and refugee communities in the Bay Area, CA and Harrisburg, PA. ARU achieves this through intergenerational leadership development, political education, community organizing, social movement building, storytelling, artistic and cultural practices, and cross-cultural communications

Alliance of South Asians Taking Action (ASATA)

ASATA is a San Francisco Bay Area all-volunteer group working to educate, organize, and empower the Bay Area South Asian communities to end violence, oppression, racism and exploitation within and against our diverse communities. ASATA has been engaged in campaigns to stand against anti-immigrant sentiment and gender-based exploitation and to promote immigration justice and peace in South Asian communities and the United States.

Hmong Innovating Politics (HIP)

HIP is a grassroots organization whose mission is to advance social justice and build power with Hmong youth and families through leadership development and multi-generational community organizing. HIP is based in Fresno and Sacramento, CA, bridging two of the largest Hmong American populations in the state and nation. HIP's work includes civic engagement, youth organizing, communication, narrative change, and social justice coalition building.

Hyphen

Hyphen magazine is a volunteer-run, news and culture magazine that tells the stories of Asian America, beyond identity, featuring emerging artists, thinkers and doers. By documenting and disseminating these stories, Hyphen contributes to the ever-expanding, multifaceted narrative of Asians in America.

Lavender Phoenix

Lavender Phoenix builds transgender, non-binary and queer power to amplify our voices and increase visibility of their communities. They inspire and train grassroots leaders, transform their values from scarcity to abundance and build vibrant intersectional movements.

Network on Religion and Justice (NRJ)

NRJ is a volunteer network of groups and individuals working to nurture and support efforts toward a fully LGBTQ-inclusive Asian and Pacific Islander faith community. Activities include talking circles, workshops, bible studies, and other community events in the Bay Area.

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

1. Organization, continued

VietUnity

VietUnity-Bay Area is a community which works towards positive social change that acknowledges and combats all forms and systems of oppression. Bay Area VietUnity connects its work to broader multi-racial and multi-class movements for social justice and systemic change.

Visibility Project

The Visibility Project documents the personal experiences of the Queer Asian Pacific American women and transgender community by interweaving visual art, personal narratives, and social justice onto an accessible online platform. They seek to strategically influence the digital landscape of information about the Queer APA women and transgender community, while being protectively open source.

Management and Administrative Support Services

Management and administrative activities include the functions necessary to provide support for the Organization's program activities. They include activities that provide governance (Board of Trustees), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, digital security, information and technology, and similar functions that ensure a supportive, sustainable, and people-centered work environment.

Fundraising Support Services

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

continued

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

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:

Without Donor Restrictions – Undesignated. These generally result from revenues generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Without Donor Restrictions – Designated. These are the net book value of property and equipment that the Board of Directors have established as being designated for use in specific programs. For purposes of complying with net asset accounting, they are included in net assets without donor restrictions at December 31, 2024.

With Donor Restrictions. Net assets subject to donor (or certain grantor) 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. The Organization has \$5,365,075 in net assets with donor restrictions at December 31, 2024.

Cash and Cash Equivalents

The Organization has cash and cash equivalents consisting of funds in bank accounts and highly liquid investments with original maturities of three months or less from date of acquisition, unless the investments are held for meeting restrictions of a capital or endowment nature.

Grants, Contracts and Other Accounts Receivable

At December 31, 2024, management assessed the collectability of grants and accounts receivable, and pledges receivable, concluding that no allowance was considered necessary. Furthermore, management did not record discounts on its grants or contracts, accounts receivable which are expected to be collected in greater than one year as the amount is not deemed material to the financial statements.

CHINESE FOR AFFIRMATIVE ACTION

DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Investments

The Organization values its investments at fair value. Realized and unrealized gains or losses (including investments bought, sold, and held during the period) are reflected in the Statement of Activities as investment income gain or (loss) on investments.

The Organization has an investment policy that is monitored by the Investment Committee made up of members of the AACRE Board of Trustees, the Organization's Board of Directors, one of the Co-Executive Directors, the Director of Finance, and community member(s) with investment experience. The objective of the investments is to earn the highest possible total return consistent with a level of risk suitable for these assets. At a minimum, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the endowment investments assets, to provide necessary capital to fund the spending policy, and to cover the costs of managing the endowment investments assets. The portfolio is constructed using a total return approach with a significant portion of the funds invested to seek growth of principal over time.

Investments are divided into endowment investments that are longer range and can take on higher risk and non-endowment funds with shorter term goals. Endowment funds include those that are externally restricted as non-operating funds and internally designated by the board and treated in a similar fashion. Non-endowment investments may be appropriated for expenditure with approval by the Board of Directors upon request from the Co-Executive Directors. There were no accumulated earnings in the externally restricted endowment at December 31, 2024 and 2023. The following is a summary of the asset allocation guidelines, with allowable ranges for each asset type: Asset Category Target.

	<u>Non-Endowment</u>	<u>Endowment</u>
Cash equivalents	0-10%	0-10%
Fixed income	30-55%	25-45%
Equities	50-70%	55-75%

Fair Value Measurements

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets

Level 3 inputs - estimates using the best information available when there is little or no market

The Organization is required to measure certain investments at fair value. The specified technique used to measure fair value for the financial statement element is described in the notes below that relates to the element.

continued

CHINESE FOR AFFIRMATIVE ACTION DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Property and Equipment

Property and equipment are capitalized if the cost of an asset is greater than or equal to five thousand dollars and the useful life is greater than one year. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Estimated useful lives of software, office equipment, and building improvements are 3 to 5 years, and 10 to 15 years, respectively.

Lease

The organization applies Accounting Standards Codification (“ASC”) 842, *Leases*, in determining whether an arrangement is or contains a lease at the lease inception. An arrangement is considered to include a lease if it conveys the right to control the use of identified property, plant or equipment for a period of time in excess of twelve months in exchange for consideration. The Organization defines control of the asset as the right to obtain substantially all of the economic benefits from use of the identified asset as well as the right to direct the use of the identified asset. The Organization further determines all existing leases are operating leases, which are included in Right-of-Use (“ROU”) assets and lease liabilities in the Statement of Financial Position.

In-kind Contributions

Contributed nonfinancial assets include donated professional services, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. The Organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation, (see Note 14).

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by them to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000 per depositor, per insured bank, for each account ownership category. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with grants and contribution receivable and contract receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies, and foundations supportive of the Organization’s mission. Investments are made by diversified investment managers whose performance is monitored by the Organization and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

continued

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Income Taxes

The Organization is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

Generally accepted accounting principles provide 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 that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns are subject to examination by federal taxing authorities, generally for three and four years, respectively, after they are filed.

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Certain contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Those contracts and grants, or 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 or qualifying expenses have been incurred.

The Organization reports contract revenues received in advance are recorded as deferred liability in the Statement of Financial Position and recognized as support when the qualifying costs are incurred for cost-reimbursement contracts.

Functional Allocation of Expenses

Costs of providing the Organization's programs and other activities have been presented in the Statement of Functional Expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The Organization uses the percentage of staff time to allocate indirect costs.

continued

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events through July 30, 2025, the date which the financial statements were available for issue. No events or transactions have occurred during this period that appear to require recognition or disclosure in the financial statements.

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

3. Liquidity and Availability of Resources

The Organization regularly monitors liquidity required to meet its operating needs. As part of liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, accounts receivable, and investments in marketable securities.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities and the pattern of income from grants, contracts, fundraising, and investments. The Board approves the overall budget and the Investment Committee approves all cash distribution from investments.

As of December 31, 2024, the following table shows the total liquid financial assets, as reflected in this audit, held by the Organization and the amounts of those financial assets that could readily be made available within one year of the statement of financial position date to meet its operational cash flow needs:

Cash and cash equivalents	\$ 1,473,254
Accounts receivable, net	4,301,441
Investments	<u>45,050,974</u>
Financial assets at year-end	50,825,669
minus:	
Endowment investment	<u>(200,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$50,625,669</u>

In addition to the cash and cash equivalents, a significant portion of the Organization's investments includes highly liquid, cash-like instruments such as money market funds and savings deposits.

The Organization considers all expenditures related to its ongoing program, management and administrative and fundraising activities to be general expenditures.

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

4. Receivables

Management deems grant, contract, and other receivables to be fully collectible and, therefore, no allowance for doubtful accounts has been established. Moreover, management did not record discounts on its grants and contributions that are expected to be collected in greater than one year as the amount is not deemed material to the financial statements. Total receivable of \$4,301,441 at December 31, 2024 is expected to be collected in the periods listed.

Receivables at year-end consist of the following:

Grants and contributions	\$2,475,305 *
Contracts receivable	1,760,254
Other receivable	<u>65,882</u>
	<u>\$4,301,441</u>

*\$1,985,305 will be realized in one year or less, while \$490,000 will be realized between one year and five years.

5. Investments

Composition of investments at December 31, 2024 is as follows:

Common stock	\$18,620,965
Mutual fund	12,051,168
Money market funds	5,073,947
Corporate bonds	2,936,604
Asset backed securities	2,312,861
Government securities	1,936,193
Saving deposits	1,607,388
Insured sweep program	<u>511,848</u>
Total	<u>\$45,050,974</u>

6. Property and Equipment

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

Building and improvement	\$ 1,371,251
Land	149,731
Software	147,083
Office equipment	<u>68,701</u>
	1,736,766
Less: accumulated depreciation	<u>(1,193,406)</u>
	<u>\$ 543,360</u>

Depreciation expense for the year ended December 31, 2023 was \$70,307.

continued

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

NOTES TO FINANCIAL STATEMENTS

7. Accrued Liabilities

Accrued liabilities at December 31, 2024 consist of the following:

Vacation accrual	\$660,061
TDA employer payable	283,052
Other payroll liabilities	38,324
Other accrued liabilities	<u>14,318</u>
	<u>\$995,755</u>

8. Deferred Revenue

Deferred revenue at December 31, 2024 consist of government contract funds received in advanced for activity that will take place in the next fiscal year.

Stop the Hate for Asian Americans for Civil Rights and Equality	\$603,772
Office of Civic Engagement Immigrant Affairs (Language Access Network)	22,021
Other	<u>98,973</u>
Total	<u>\$724,766</u>

9. Right-of-Use Assets and Lease Liabilities – Operating Leases

The Organization evaluated current office and equipment contracts to determine which met the criteria of a lease. The ROU assets represents the Organization's right to use underlying assets for the lease term and the lease liabilities represent the Organization's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization made an election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Lease terms may include new, renewal or extension options to the extent they are reasonably certain to be exercised. Lease expense is recognized on a straight-line basis over the lease term.

Cash paid for operating leases for the year ended December 31, 2024 was \$32,829. There were no noncash investing and financing transactions related to leasing during the year ended December 31, 2024.

The weighted average of remaining lease terms and weighted average of discount rate for operating leases as of December 31, 2024 were 2.33 years and 4.52%, respectively.

continued

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

9. Right-of-Use Assets and Lease Liabilities – Operating Leases, continued

Future maturities of the lease liabilities are as follows:

<u>Year ending December 31,</u>	
2025	\$24,080
2026	<u>4,427</u>
Total lease payments	28,507
Less: present value discount	<u>(2,973)</u>
	<u>\$25,534</u>
ROU asset balance at January 1, 2024	\$ 56,014
Less: amortization of lease	<u>(31,108)</u>
ROU asset balance at December 31, 2024	<u>\$ 24,906</u>

Rental expense under operating leases was \$206,512 for the year ended December 31, 2024, and is included in the Statement of Functional Expenses.

10 Commitments and Contingencies

Contracts and Grants

The Organization's contracts and grants are subject to inspection and audit by the appropriate state and county funding agency. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these audits cannot be reasonably estimated and, accordingly, the Organization has no provisions for the possible disallowance of program costs on its financial statements.

Legal Matters

From time to time, the Organization may be subject to legal claims and proceedings in the normal course of operations. Management, in consultation with legal counsel, evaluates each matter to determine the potential impact. As of December 31, 2024, management is not aware of any legal matters that would have a material adverse effect on the Organization's financial position, results of operations, or cash flows. Accordingly, no amounts have been recorded in the financial statements related to such matters.

continued

**CHINESE FOR AFFIRMATIVE ACTION
DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY**

NOTES TO FINANCIAL STATEMENTS

10 Commitments and Contingencies, continued

Tax and Compliance Matters

The Organization is recognized as a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code and is generally not subject to federal income tax. However, it may be subject to tax on income from unrelated business activities. The Organization evaluates its tax positions in accordance with authoritative guidance and has concluded that there are no uncertain tax positions that require recognition in the financial statements. The Organization continues to monitor compliance with applicable federal, state, and local tax regulations, including those related to public support, lobbying activities, and unrelated business income.

Insurance Coverage Gaps

The Organization maintains insurance policies for general liability, property, professional liability, and other areas of operational risk. While management believes that coverage is adequate, certain events or claims may exceed policy limits or fall outside policy terms and exclusions. As of December 31, 2024, the Organization is not aware of any claims or events that would result in a material uninsured loss. Management continues to evaluate its risk management strategy and insurance coverage on an ongoing basis.

11. Net Assets With Donor Restrictions

Net assets with donor restrictions at December 31, 2024 consist of assets restricted for the following:

Purpose restrictions

Chinese for Affirmative Action	\$1,399,913
Hmong Innovating Politics	1,339,885
Asian Prisoner Support Committee	656,743
Lavender Phoenix	584,904
Asian Refugees United	542,032
Stop AAPI Hate	359,530
Shared	202,500
Bay Area Transformative Justice Collective	48,162
APEX Express	12,927
Asian Americans for Civil Rights and Equality	9,864
Visibility project	5,615
Fundraising	<u>3,000</u>
	<u>\$5,165,075</u>

For the year ended December 31, 2024, \$6,090,093 of net assets were released from purpose restrictions.

continued

CHINESE FOR AFFIRMATIVE ACTION

DBA ASIAN AMERICANS FOR CIVIL RIGHTS AND EQUALITY

NOTES TO FINANCIAL STATEMENTS

12. Designated Endowment

The Organization's endowment consists of a fund established by donors. As required by U.S. generally accepted accounting principles, net assets associated with endowment investments are classified and reported based on the existence or absence of donor-imposed restrictions.

The State of California enacted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") effective January 1, 2009. UPMIFA establishes law for the management and investment of donor restricted endowment funds. The Board of Trustees of the Organization has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted permanent endowment investments unless there are explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies the original value of gifts donated as net assets with donor restrictions held in perpetuity.

UPMIFA permits the Organization to appropriate for expenditure or accumulate as much of a donor restricted endowment fund as it determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. In making its determination to appropriate or accumulate, the Organization must act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and it must consider, if relevant, the following factors:

- The duration and preservation of the endowment fund;
- The purposes of the Organization and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Organization; and
- The investment policy of the Organization.

The Organization has a restricted fund from a CAA supporter who designated that only income generated from the contribution may be used for general operations. The balance of the net assets held in perpetuity is \$200,000.

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

12. Designated Endowment, continued

The designated endowment, in the amount of \$200,000 as of December 31, 2024, is the only income generated from the contribution that may be used for general operations. Significant information about the designated endowment as of December 31, 2024 is as follows:

Designated endowment net asset composition by type of fund:

Designated endowment	<u>\$200,000</u>
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Changes in designated endowment net assets:

Beginning of year, January 1, 2024	\$ 258,690
Purchases	
Sales (release from restrictions)	(121,664)
Fees	
Investment gain	<u>62,974</u>
End of year, December 31, 2024	<u>\$ 200,000</u>

Investment income

Interest and dividends	\$ 2,186
Gain on investments	<u>60,788</u>
	<u>\$62,974</u>

13. Fair Value Measurements

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stock	\$18,620,965	\$ -	\$ -	\$18,620,965
Mutual fund	12,051,168			12,051,168
Money market fund	5,073,947			5,073,947
Corporate bonds	2,936,604			2,936,604
Asset backed securities	2,312,861			2,312,861
Government securities	1,936,193			1,936,193
Saving deposit	1,607,388			1,607,388
Insured sweep program	<u>511,848</u>	<u> </u>	<u> </u>	<u>511,848</u>
	<u>45,050,974</u>	<u> </u>	<u> </u>	<u>45,050,974</u>
Fair value at December 31, 2024	<u>\$45,050,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$45,050,974</u>

The fair value of common stock, mutual fund, money market fund, corporate bonds, asset backed securities, government securities, saving deposit and insured sweep program within the Level 1 inputs are based on quoted market prices as of the closing of the last business day of the fiscal year.

continued

**CHINESE FOR AFFIRMATIVE ACTION
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NOTES TO FINANCIAL STATEMENTS

14. In-kind Contributions

For the year ended December 31, 2024, contributed nonfinancial assets recognized within the statements of activities included the following:

Marketing services	\$267,825
Legal services	15,484
Fundraising goods	13,116
Entertainment services	260
Artwork services	<u>100</u>
	<u>\$296,785</u>

15. Employee Benefit Plan

The Organization sponsors a 403(b) retirement plan ("the Plan") for the benefit of its employees. Employees can make voluntary contributions to their retirement accounts that are contributed to the Plan semi-monthly. In addition, the Organization makes a discretionary employer contribution annually for employees who meet minimum employment requirements. For the year ended December 31, 2024, the Organization's discretionary contributions to the Plan were \$283,052.

ADDITIONAL INFORMATION

**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

To the Board of Directors
Chinese for Affirmative Action
dba Asian Americans for Civil Rights and Equality

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality (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, and have issued our report thereon dated July 30, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's internal control. Accordingly, we do not express an opinion on the effectiveness of Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Chinese for Affirmative Action dba Asian Americans for Civil Rights and Equality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***
continued

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harrington Group

Walnut Creek, California
July 30, 2025