NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2023

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

CONTENTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
National Alliance To End Homelessness, Inc.

Opinion

We have audited the accompanying financial statements of National Alliance To End Homelessness, Inc. (the Alliance), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alliance as of December 31, 2023, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Alliance 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alliance'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 the Alliance'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 the Alliance’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.

Calibre CPA Group, PLLC

Bethesda, MD
July 25, 2024

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

Assets	
Current assets	
Cash and cash equivalents	$ 14,574,447
Investments	13,447,648
Grants and contributions receivable	1,000,000
Accounts receivable	37,432
Prepaid expenses	161,176
Total current assets	29,220,703
Property and equipment	
Furniture and equipment	294,269
Less: accumulated depreciation	(196,577)
Property and equipment, net	97,692
Operating right-of-use asset	290,960
Other assets	
Deposits	1,000
Total assets	$ 29,610,355
Liabilities and Net Assets	
Liabilities	
Accounts payable	$ 180,742
Accrued expenses	234,402
Deferred revenue	751,060
Operating lease liability, current portion	290,960
Total liabilities	1,457,164
Net assets	
Without donor restrictions	24,702,399
With donor restrictions	3,450,792
Total net assets	28,153,191
Total liabilities and net assets	$ 29,610,355

See accompanying notes to financial statements.

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Grant and contributions	$ 3,970,261	$ 1,100,000	$ 5,070,261
Conference registrations fee	1,406,550	-	1,406,550
Contract income	109,098	-	109,098
Other revenue	43,492	-	43,492
Investment income (loss)	1,541,419	-	1,541,419
Center for Learning revenue	35,101	-	35,101
Contributed nonfinancial assets	169,000	-	169,000
Net assets released from restrictions	2,204,932	(2,204,932)	-
Total support and revenue	9,479,853	(1,104,932)	8,374,921
Expenses			
Program services			
Advocacy	361,956	-	361,956
Capacity building	571,117	-	571,117
Conferences	2,135,097	-	2,135,097
HRI/Research education	4,504,346	-	4,504,346
Lobbying	116,759	-	116,759
Total program services	7,689,275	-	7,689,275
Supporting services			
General and administrative	681,788	-	681,788
Fundraising	129,446	-	129,446
Total supporting services	811,234	-	811,234
Total expenses	8,500,509	-	8,500,509
Change in net assets	979,344	(1,104,932)	(125,588)
Net assets			
Beginning of year	23,723,055	4,555,724	28,278,779
End of year	$ 24,702,399	$ 3,450,792	$ 28,153,191

See accompanying notes to financial statements.

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Program Services						Supporting Services				
	Advocacy	Capacity Building	Conferences	HRI/Research Education	Lobbying	Total Program Services	General and Administrative	Fundraising	Total Support Services	Overhead	Total
Salaries	$ 162,294	$ 195,481	$ 441,892	$ 2,267,177	$ 57,797	$ 3,124,641	$ 277,236	$ 36,751	$ 313,987	$ 96,305	$ 3,534,933
Benefits and payroll taxes	30,331	44,455	95,195	460,250	8,613	638,844	49,087	8,509	57,596	8,398	704,838
Advertising and promotion	-	-	-	-	-	-	7,433	-	7,433	-	7,433
Consultant fees	15,194	186,300	21,900	246,683	20,890	490,967	-	-	-	8,200	499,167
Depreciation	-	-	-	-	-	-	-	-	-	33,559	33,559
Dues and subscriptions	5,433	-	-	59,885	-	65,318	127	2,798	2,925	64,581	132,824
Grants	-	-	-	727,500	-	727,500	-	-	-	-	727,500
Insurance	-	-	-	-	-	-	-	-	-	32,782	32,782
Lodging	53,307	10,080	82,413	48,441	958	195,199	-	2,347	2,347	-	197,546
Meals	12,466	2,475	789,308	23,371	66	827,686	16,301	481	16,782	5,844	850,312
Other expenses	-	878	32,747	500	-	34,125	(5,549)	33,189	27,640	30,493	92,258
Payroll services	-	-	-	-	-	-	4,857	-	4,857	363	5,220
Postage and delivery	186	809	18,877	437	-	20,309	320	6,721	7,041	2,372	29,722
Printing and copying	-	-	18,877	-	1,865	20,742	-	13,405	13,405	2,628	36,775
Professional fees	-	-	238	44,425	-	44,663	233,061	7,607	240,668	115,099	400,430
Rent	-	-	-	-	-	-	-	-	-	287,500	287,500
Repairs, maintenance, and leases	-	-	341,794	-	-	341,794	16,865	-	16,865	8,114	366,773
Supplies	-	80	55,035	1,322	-	56,437	6,354	2,248	8,602	18,159	83,198
Technology	1,000	71,363	54,173	43,986	11,792	182,314	12,408	1,784	14,192	85,768	282,274
Temporary help	-	-	-	-	-	-	-	4,828	4,828	-	4,828
Travel	44,387	12,662	78,483	51,402	1,898	188,832	-	-	-	1,805	190,637
Overhead allocation	37,358	46,534	104,165	528,967	12,880	729,904	63,288	8,778	72,066	(801,970)	-
	$ 361,956	$ 571,117	$ 2,135,097	$ 4,504,346	$ 116,759	$ 7,689,275	$ 681,788	$ 129,446	$ 811,234	$ -	$ 8,500,509

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

Cash flows from operating activities	
Change in net assets	$ (125,588)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	33,559
Net appreciation in fair value of mutual funds	(1,067,744)
Right-of-use asset amortization	285,466
Change in assets	
Grants and contributions receivable	1,758,772
Bequest receivable	-
Accounts receivable	21,012
Prepaid expenses	(61,321)
Change in liabilities	
Accounts payable	88,756
Accrued expenses	88,408
Deferred revenue	206,510
Operating lease liability	(285,466)
Net cash provided by operating activities	942,364
Cash flows from investing activities	
Purchase of furniture and equipment	(60,014)
Proceeds from sale of investments	3,042,831
Purchase of investments	(4,054,759)
Net cash used for investing activities	(1,071,942)
Net change in cash and cash equivalents	(129,578)
Cash and cash equivalents	
Beginning of year	14,704,025
End of year	$ 14,574,447

See accompanying notes to financial statements.

NATIONAL ALLIANCE TO END HOMELESSNESS, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

NOTE 1. ORGANIZATION

National Alliance to End Homelessness, Inc. (the Alliance) is a non-profit organization incorporated in the District of Columbia in 1983 as the National Citizens Committee on Food and Shelter and changed their name in 1988 for the purpose of addressing the long-term problems of homelessness through program research, advocacy, project operation, and public awareness.

The Alliance offers the following program services:

Advocacy - The Alliance is a leading voice on federal homelessness policy. The Alliance analyzes and educates the public about proposed and enacted federal legislation and consults with partners around the country about the impact on homelessness of federal policy. The Alliance works collaboratively with public, private, and nonprofit partners to develop, analyze, and advocate for policy solutions to homelessness.

Capacity Building - The Alliance provides capacity-building assistance through its Center for Capacity Building to help communities turn policy solutions and proven best practices into viable, on-the-ground programs. The Alliance provides communities across the country with best practices, how-to kits, technical assistances, and training to help them implement solutions developed through policy, research, and practice.

Conferences - The Alliance holds two conferences each year that focus on strategies to end homelessness, including rapid re-housing and family intervention, as well as the development of a crisis response system and coordinated entry process, retooling transitional housing, the role of mainstream programs, and federal policy goals for Congress. Attendees and speakers include national and local experts on homelessness.

HRI/Research Education - The Homelessness Research Institute (HRI), the research and education arm of the Alliance, builds the intellectual capital around solutions to homelessness. HRI advances data and research so that policymakers, practitioners, and the public have the best information about trends in homelessness and emerging solutions.

NOTE 1. ORGANIZATION (CONTINUED)

Lobbying - The Alliance's staff spends a small proportion of its time attempting to influence the content of specific federal legislation, on issues directly related to the Alliance's mission. A portion of this work involves enlisting others from outside the organization to communicate with Congressional offices.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Alliance prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Revenue is recognized when earned and expenses are recorded as incurred.

Financial Statement Presentation

Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), *Not-for-Profit Entities - Presentation of Financial Statements*. Under those principles, the Alliance 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.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturities of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturity terms of those financial instruments. The Alliance maintains its cash in bank deposit accounts which may, at times, exceed federally insured limits. The Alliance believes it is not exposed to any significant credit risk on cash or cash equivalents.

Accounts, Grants and Contributions Receivables

Accounts, grants and contributions receivable are stated at the amount management expects to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon review of outstanding receivables, historical collection of information, and existing economic conditions. Accounts deemed uncollectible are charged off based on specific circumstances of the parties involved. Management believes all receivables are fully collectible within one year or less and no provision for allowance for doubtful accounts is deemed necessary.

Unconditional promises to give are recognized as support when the donor makes a promise to give to the Alliance that is, in substance, unconditional. Pledges that are expected to be collected within one year are recorded at their net realizable value.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on these amounts are computed using a risk-free interest rate applicable to the year in which the pledge is made. All unconditional promises to give are expected to be received in one year or less and therefore there was no discount calculated on these pledges.

Investments

Investments consist of amounts held in corporate bonds, government obligations and mutual funds, all of which are reported at fair value, generally as determined by published market prices. Income earned is derived from interest, dividends, and changes in fair value. Unrealized gains (losses) resulting from increases (decreases) in fair value of securities held as well as the net realized gains (losses) arising from sales of securities are included in investment income. Dividends and interests are recognized as they are earned. Investment income is reported in the statement of activities net of all external and direct internal investment expenses.

Net Assets

Net assets are reported in two distinct classes as follows:

Net assets without donor restrictions - These net assets are available to finance the general operations of the Alliance. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Alliance, the environment in which it operates, and the purposes specified in its organizing documents.

Net assets with donor restrictions - These net assets result from contributions and other inflows of assets, the use of which by the Alliance is limited by donor-imposed time or purpose restrictions that are either temporary or perpetual.

Revenue Recognition

Revenue is derived from both exchange transactions and contribution transactions. Revenue from exchange transactions is recognized when control of promised goods or services is transferred to the Alliance's customers, in an amount that reflects the consideration the Alliance expects to be entitled to in exchange for those goods or services. All goods and services are transferred at a point in time. Payments are generally required in advance are reported as deferred revenue until the related revenue is recognized. Unconditional contributions are recognized upon receipt of cash or other assets or when a donor promises to transfer cash or other assets in the future. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or release, are not recognized until the conditions on which they depend have been substantially met.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from Other Exchange Transactions - Revenue from event registrations, exhibitor fees and similar amounts are recognized when the event takes place.

Contributions - Contributions received are reported as increases in net assets without donor restrictions unless received with donor stipulations that require the assets be used for specific purposes or in specific time periods. All donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of stock are recorded at the fair value of the stock on the date received. The Alliance's policy is to immediately sell the stock and any difference between the proceeds received from the sale of stock and the fair market value recorded on the date the stock was donated is recorded as a realized gain or loss. If the Alliance incurs any fees related to selling the stock, the amount is recorded as investment fee expense.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing these skills and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received. The value of contributed nonfinancial assets recognized was $169,000 for the year ended December 31, 2023 and was comprised completely of pro bono legal services, which are valued at the estimated fair value based on current rates for similar legal services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Grants and Similar Agreements - Most grant agreements are accounted for as contribution transactions. When an agreement includes both a barrier and either a right of return of assets to the resource provider or a right of release from obligation by the resource provider, the contribution is considered to be conditional. Amounts received under conditional transfers are reported as a liability (refundable advance) and recognized as contribution revenue only when the conditions are met.

Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are generally 3 to 7 years. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred. 0 Depreciation expense for the year ended December 31, 2023 totaled $-0-.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

In its statement of financial position, the Alliance records a right-of-use asset and lease liability, initially measured at the present value of total lease payments using a risk-free rate that approximates the remaining term of the lease. The Alliance considers the likelihood of exercising renewal or termination clauses (if any) in measuring its right-of-use assets and lease liabilities. A single lease cost calculated so that the cost of the lease is allocated over the lease term on straight-line basis.

Functional Allocation of Expenses

The costs of providing the various programs and supporting activities of the Alliance have been summarized on a functional basis in the statements of activities and functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Other costs are allocated among the program and supporting services benefited based on management's best estimates. Salaries and related fringe benefits are allocated based on employee time and effort studies. Other common costs such as occupancy, depreciation and related infrastructure costs are allocated based on employee time and effort studies.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

New Accounting Pronouncements Adopted - During the year ended December 31, 2023, the Alliance adopted the provisions of Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326). This ASU replaced the incurred loss methodology with an expected loss methodology that is referred as the current expected credit loss (CECL) methodology. The ASU requires nonprofit entities to immediately recognize the estimated expected credit losses over the life of a financial instrument, including trade receivables. The estimate of expected credit losses considers not only historical information, but also current and future economic conditions and events.

The Alliance adopted the ASU effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in additional disclosures.

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As part of the Alliance'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. In addition, the Alliance invests cash in excess of its current requirements in a portfolio of investments designed to maximize long-term earnings with acceptable risk to investment principal.

The following table represents the Alliance's financial assets available to meet cash needs for general expenditures within one year of December 31, 2023:

Total assets at end of year	$ 29,610,355
Less: nonfinancial assets	
Prepaid expenses	(161,176)
Deposits	(1,000)
Operating right-of-use asset	(290,960)
Property and equipment, net	(97,692)
Total financial assets at end of year	29,059,527
Less: amounts not available to meet general expenditures coming due within one year	
Donor restricted funds	(3,450,792)
Total financial assets available for general expenditures within one year	$ 25,608,735

NOTE 4. INCOME TAXES

The Alliance is a 501(c)(3) entity exempt from federal income tax under Section 501(a) of the Internal Revenue Code. The Alliance is, however, subject to tax on business income unrelated to their exempt purpose.

The Alliance believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

The Alliance's income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three years from the date they were filed, except under certain circumstances. The Alliance's Form 990 tax returns for the years ended December 31, 2020 through 2022 are open for a tax examination by the IRS, although no request has been made as of the date of these financial statements.

NOTE 5. INVESTMENT AND FAIR VALUE MEASUREMENTS

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Alliance has the ability to access.

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following are the descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies at December 31, 2023.

Government obligations and mutual funds are valued at the closing price reported in the active market in which the individual securities are traded.

Corporate bonds are generally valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

NOTE 5. INVESTMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

Furthermore, although the Alliance's management believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The following table set forth by level, within the fair value hierarchy, the Alliance's investments at fair value as of December 31, 2023:

Description	12/31/2023 Total	Quoted Market Prices for Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate bonds	$ 49,990	$ -	$ 49,990	$ -
Government obligations	1,828,950	1,828,950	-	-
Mutual funds	11,568,708	11,568,708	-	-
	$ 13,447,648	$ 13,397,658	$ 49,990	$ -

Investment income (loss) consisted of the following for the year ended December 31, 2023:

Interest and dividend	$ 582,318
Unrealized loss	657,811
Realized loss	409,933
Investment expenses	(108,643)
	$ 1,541,419

NOTE 6. PENSION PLAN

The Alliance offers a 403(b) retirement plan to all eligible employees. Effective January 1, 2009, the Alliance revised its pension plan agreement. According to the revised terms, the Alliance will decide each year how much, if any, to contribute to the retirement plan. To qualify as a participant under the plan, employees must meet certain requirements. Employees may make voluntary contributions to the plan. Pension expense for the year ended December 31, 2023 totaled $159,915.

NOTE 7. COMMITMENTS AND CONTINGENCIES

In 2013, the Alliance entered into a new agreement for its office lease beginning May 1, 2014, for an 87-month period, ending July 31, 2021, which has been extended through December 31, 2024. According to the lease terms, the base rental rate is $18,000 per month for the first lease year. The extensions were given with reduced base rental amounts. Accounting principles generally accepted in the United States of America require that the total rent commitment be recognized on a straight-line basis over the term of the lease.

NOTE 7. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating lease expense totaled $287,500 for the year ended December 31, 2023. The Alliance had no variable or short-term lease expense in 2023 and does not have any finance leases.

Supplemental qualitative information related to the operating lease is as follows:

	Year Ended December 31, 2023
Cash paid for amounts included in the measurement of lease liabilities - operating cash flows	$ -
Right-of-use assets obtained in exchange for lease obligations	786,796
Weighted-average remaining lease term (in years)	1
Weighted-average discount rate	2.72%

The maturity of the lease liability under the Alliance's operating lease as of December 31, 2023 is as follows:

Year Ended December 31,	
2024	$ 294,000
Undiscounted future cash flows	294,000
Less: discount to present value (with a rate of 1.04% and 4.40%)	(3,040)
Total lease liability	$ 290,960

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

The Alliance had the following net assets with donor restrictions as of December 31, 2023:

Conrad N. Hilton Foundation	$ 2,566,625
Melville Charitable Trust	180,000
Oak Foundation	525,000
Wells Fargo Foundation	116,667
Retirement Research Foundation	12,500
Funders for Housing Opportunity	50,000
Total	$ 3,450,792

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

The following net assets with donor restrictions were released from donor restrictions by incurring expenses, which satisfied the restricted purpose specified by the donors or the passage of time during the years ended December 31, 2023:

Conrad N. Hilton Foundation	$	966,905
Melville Charitable Trust		360,000
Oak Foundation		350,000
Wells Fargo Foundation		200,000
National Low Income Housing Coalition		6,000
Retirement Research Foundation		98,427
BlueCross/Anthem		23,600
Funders for Housing Opportunity		200,000
Total	$	2,204,932

NOTE 9. CONTRACT BALANCES

The timing of billings, cash collections, and revenue recognition result in contract assets and contract liabilities associated with revenue from exchange transactions. Contract assets consist entirely of trade accounts receivable, which are recognized only to the extent it is probable that the Alliance will collect substantially all of the consideration to which the Alliance is entitled in exchange for the goods or services that the Alliance will be or have been transferred. Contract liabilities consist entirely of deferred revenue that results when the Alliance receives advance payments from their customers before revenue is recognized. Balances in these accounts as of the beginning and end of the year ended December 31, 2023 are as follows:

	2023	2022
Accounts receivable		
Contract income	$ 37,432	$ 58,444
Deferred revenue		
Conference registrations fee	$ 751,060	$ 544,550

NOTE 10. CONCENTRATION OF CREDIT RISK

The Alliance maintains cash and cash equivalent balances at two financial institutions in the United States. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of December 31, 2023, amounts on deposit exceeded the FDIC insurance limit by approximately $3,722,000. The Alliance has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash balances.

NOTE 10. CONCENTRATION OF CREDIT RISK (CONTINUED)

The Alliance invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term.

NOTE 11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 25, 2024, which is the date the financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.