

American Association of University Women of the State of California, Inc.

Financial Statements

Years Ended June 30, 2025 and 2024

American Association of University Women of the State of California, Inc.
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Years Ended June 30, 2025 and 2024

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors and Officers
American Association of University Women of the State of California, Inc.
Sacramento, California

We have reviewed the accompanying financial statements of the American Association of University Women of the State of California, Inc. (a California non-profit) (Association), which comprise the statements of financial position as of June 30, 2025 and June 30, 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the American Association of University Women of the State of California, Inc. and meet our other ethical responsibilities, in accordance with accounting principals generally accepted in the United States of America.

Correction of Error

As discussed in Note 2 to the financial statements , the Association made an adjustment to the statement of financial position and cash flows as of June 30, 2024 to record accounts receivable and deferred membership dues which were remitted by members to the national organization but had not been remitted to the Association as of June 30, 2024 and as such were improperly excluded from the statements. There was no change to net assets. Our opinion is not modified with respect to this matter.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Moore Messina Webb LLP

Roseville, California

February 2, 2026

American Association of University Women of the State of California, Inc.
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024 (Restated)
Assets		
Current assets		
Cash and cash equivalents	\$ 109,180	\$ 98,032
Accounts receivable	42,479	38,468
Prepaid expenses	2,308	3,450
Investments	488,680	470,179
Total current assets	642,647	610,129
Noncurrent assets		
Property and equipment, net	-	-
Intangible assets, net	8,910	11,880
Total Assets	\$ 651,557	\$ 622,009
Liabilities and Net Assets		
Accounts payable	\$ 6,920	\$ 9,733
Accrued expenses	7,595	5,896
Deferred revenue	82,258	75,756
Total Liabilities	96,773	91,385
<u>Net Assets</u>		
Without donor restrictions		
Undesignated	66,104	60,446
Designated for operations	295,380	292,062
Designated for expenses	193,300	178,116
Total net assets	554,784	530,624
Total Liabilities and Net Assets	\$ 651,557	\$ 622,009

See accompanying Notes to the Financial Statements and Independent Accountants' Review Report

American Association of University Women of the State of California, Inc.
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2025 and 2024

	2025	2024
Revenues and support		
Membership dues	\$ 143,658	\$ 149,113
Insurance assessments	55,434	47,410
AAUW Fund assessment	-	5,620
Net investment return	38,501	44,169
Donations	11,600	250
Miscellaneous income	1,012	1,425
Total revenues and support	250,205	247,987
Expenses		
Program services		
Membership development and services	82,436	80,194
Grants to the AAUW Fund	-	5,590
GOV Trek	-	2,366
Public policy	63,295	65,555
Total program services	145,731	153,705
Supporting services		
General and administrative	80,314	86,479
Total expenses	226,045	240,184
Change in net assets	24,160	7,803
Net assets		
Beginning of year	530,624	522,821
End of year	\$ 554,784	\$ 530,624

See accompanying Notes to the Financial Statements and Independent Accountants' Review Report

American Association of University Women of the State of California, Inc.
Statement of Functional Expenses
Year Ended June 30, 2025

	Membership Development & Services	Public Policy	General & Administrative	Total Expenses
Salaries and wages	\$ 13,897	\$ -	\$ 13,897	\$ 27,793
Payroll taxes	4,017	-	4,017	8,034
Project expenses	7	-	-	7
Bank and payroll charges	-	-	1,892	1,892
Committee expenses	1,191	2,515	-	3,706
Depreciation/ Amortization	-	-	2,970	2,970
Grants to the AAUW Fund	-	-	-	-
Insurance	55,103	-	530	55,633
Miscellaneous	-	300	905	1,205
Office supplies and software	-	-	230	230
Postage and shipping	-	-	163	163
Professional fees	-	60,480	8,000	68,480
Rent expense	718	-	718	1,435
Telephone and internet	7,504	-	7,504	15,008
Travel	-	-	39,489	39,489
	<u>\$ 82,436</u>	<u>\$ 63,295</u>	<u>\$ 80,314</u>	<u>\$ 226,045</u>

See accompanying Notes to the Financial Statements and Independent Accountants' Review Report

American Association of University Women of the State of California, Inc.
Statement of Functional Expenses
Year Ended June 30, 2024

	Membership Development & Services	Fund	GOV Trek	Public Policy	General & Administrative	Total Expenses
Salaries and wages	\$ 13,798	\$ -	\$ -	\$ -	\$ 13,798	\$ 27,596
Payroll taxes	3,897	-	-	-	3,897	7,794
Project expenses	-	-	2,359	-	-	2,359
Bank and payroll charges	-	-	-	-	2,049	2,049
Committee expenses	8,010	-	-	426	-	8,436
Depreciation/ Amortization	-	-	-	-	2,970	2,970
Grants to the AAUW Fund	-	5,590	-	-	-	5,590
Insurance	47,681	-	-	-	540	48,221
Miscellaneous	-	-	-	176	619	796
Office supplies and software	-	-	-	-	7,374	7,374
Postage and shipping	88	-	7	362	62	519
Professional fees	-	-	-	62,980	8,000	70,980
Rent expense	709	-	-	-	709	1,418
Telephone and internet	5,587	-	-	-	5,587	11,173
Travel	424	-	-	1,611	40,874	42,910
	<u>\$ 80,194</u>	<u>\$ 5,590</u>	<u>\$ 2,366</u>	<u>\$ 65,555</u>	<u>\$ 86,479</u>	<u>\$ 240,184</u>

See accompanying Notes to the Financial Statements and Independent Accountants' Review Report

American Association of University Women of the State of California, Inc.
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	2025	2024 (Restated)
Cash flows from operating activities:		
Change in net assets	\$ 24,160	\$ 7,803
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Realized and unrealized gain on investments	(38,501)	(44,169)
Amortization	2,970	2,970
Changes in operating assets and liabilities		
Accounts receivable	(4,011)	(14,128)
Prepaid expenses	1,142	1,550
Accounts payable	(2,813)	4,633
Accrued expenses	1,699	(7,613)
Deferred revenue	6,502	49,194
Net cash provided by operating activities	<u>(8,852)</u>	<u>240</u>
Cash flows from investing activities:		
Proceeds from sale of investments	<u>20,000</u>	<u>-</u>
Net cash provided by investing activities	<u>20,000</u>	<u>-</u>
Net increase in cash and cash equivalents	11,148	240
Cash and cash equivalents - beginning of year	<u>98,032</u>	<u>97,792</u>
Cash and cash equivalents - end of year	<u><u>\$ 109,180</u></u>	<u><u>\$ 98,032</u></u>

See accompanying Notes to the Financial Statements and Independent Accountants' Review Report

American Association of University Women of the State of California, Inc.
Notes to Financial Statements
Years Ended June 30, 2025 and 2024

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

The American Association of University Women of the State of California, Inc. (AAUW-CA, the Association) is a nonprofit corporation organized under the law of the State of California. The purpose of AAUW is to advance gender equity for women and girls through research, education, and advocacy. AAUW-CA facilitates California branches in meeting the vision and mission of AAUW by providing programs, education, and resources. The Association is supported primarily through membership dues.

The Association's Membership Development and Services program includes developing publications, administering insurance, and assisting branches with membership and the Association's mission.

The Annual Meeting brings women together to talk about common issues and develop action agendas to make a difference for women in society.

The Public Policy program supports an advocate to monitor and report on the activities of the State legislature and to represent our position on policy development whenever appropriate.

State projects are developed at the state level as the need arises and benefit the whole group. These include events to benefit the AAUW Fund which is a separate entity at American Association of University Women, Washington, D.C.

Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor-imposed restrictions.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those 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. There were no donor restricted net assets as of June 30, 2025 and 2024.

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

1. Nature of Activities and Significant Accounting Policies (continued)

Cash and Equivalents

Cash and equivalents consist of cash on hand and highly liquid investments purchased with a maturity of three months or less; however, cash managed within the investment brokerage accounts is reported within "Investments" as these funds are not used for daily operating needs.

Accounts Receivable

The Association follows the current expected credit losses (CECL) methodology for estimating credit losses on financial assets, as such the Association uses a combination of historical loss experience, current economic conditions and forward-looking information to estimate credit losses for financial assets. The Association considers various factors such as borrower credit worthiness and collateral values to estimate credit losses.

Accounts receivable consists primarily of amounts due from the national association for membership dues paid by local members of the Association, net of estimates for variable consideration. Accounts receivable are stated at their estimated collectible amounts and comprise amounts currently due. Delinquent accounts receivable are written off to expense in the period they are determined to be uncollectible at management's discretion. Collateral is not required. The Association establishes an allowance for credit losses to present the net amount of accounts receivable expected to be collected based on current economic conditions and certain forward-looking information. As of June 30, 2025 and 2024 management estimated no credit losses. Management believes that all accounts receivable as June 30, 2025 and 2024, net of the allowance for credit losses are fully collectable.

Investments

Investments are stated at fair value and are generally considered trading securities. Investment income is reported net of related investment expenses. Realized and unrealized gains and losses, in total, are included in net investment return reported on the statements of activities.

Property and Equipment

Acquisitions of fixed assets in excess of \$1,000 are capitalized and stated at cost. Donated fixed assets are reported at fair value at the date of the gift. Depreciation is calculated on the straight-line method over the estimated useful life of the related asset. All property and equipment was fully depreciated as of June 30, 2025 and 2024.

Intangible Assets

Acquisitions of intangible assets in excess of \$1,000 are capitalized and stated at cost. Amortization is calculated on the straight-line method over the estimated useful lives of the assets.

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

1. Nature of Activities and Significant Accounting Policies (continued)

Revenue Recognition

The Association recognizes revenue in accordance with Financial Accounting Standards Board (FASB) ASC Topic 606, Revenue from Contracts with Customers (ASC 606). In accordance with these provisions, the Association recognizes revenue when the Association obtains control of donated goods or services in an amount that reflects the consideration to which the Association expects to receive. To determine revenue recognition for the arrangements that the Association determines are within the scope of FASB Topic 606, the Association performs the following five steps: (1) identify the contract(s) with a customer/donor, (2) identify the performance obligation(s) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation(s) in the contract, and (5) recognize revenue when (or as) the Association satisfies a performance obligation.

Membership dues, which are nonrefundable, are recognized as revenue over the membership period. Membership meeting and event revenue are recognized when the meeting or event occurred. Revenue collected in advance is deferred until earned. Deferred revenue is considered a contract asset.

The Association recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Verbal promises to give are not recorded unless confirmed in writing. Contributions are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of donor restrictions, if any. The Association records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in subsequent years are reported at the present value of estimated future cash flows, determined using approximate interest rates applicable to long-term government securities as of June 30th of the year in which the promises are received. Support that is restricted by the donor is reported as an increase in net assets without restrictions if the restriction is met in the same reporting period in which the support is received.

Income Taxes

The Association is exempt from income taxes under Internal Revenue Code (IRC) Section 501(c)(4) and related California code sections. However, they are subject to income taxes from activities unrelated to our tax-exempt purpose.

The Association has processes presently in place to ensure maintenance of our tax-exempt statuses; to identify and report unrelated business income; to determine our filing and tax obligations for which we have nexus; and to identify and evaluate other matters that may be considered tax positions. The Association has evaluated the tax positions and related income tax contingencies and do not believe that any material uncertain tax positions exist that require recognition or disclosure in the financial statements.

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

1. Nature of Activities and Significant Accounting Policies (continued)

Advertising and Promotion

Advertising and promotion costs of the Association are charged to expense as incurred and were \$0 and \$7,483 for the years ended June 30, 2025 and 2024, respectively.

Donated Services and Materials

The Association records the value of contributed services and materials meeting the requirements for recognition. Additionally, a number of volunteers have donated a significant number of hours to AAUW-CA. Although these services are integral to the Association's mission, they do not meet the criteria for recognition under generally accepted accounting principles.

Functional Expenses

The costs of providing our program services and supporting services have been summarized on a functional basis on the statements of activities and statements of functional expenses. Indirect costs are allocated among programs and supporting services based on personnel, space and other factors.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates under different assumptions or conditions.

Financial Instruments and Credit Risk

The Association manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by the association to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Association has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from individuals and members supportive of our mission. Investments are made by diversified investment managers whose performance is monitored by our management and Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the board believe that the current investment policies and guidelines are prudent for the long-term welfare of our Association.

Subsequent Events

Subsequent events were evaluated through February 2, 2026 which is the date the financial statements were available to be issued.

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

2. Correction of Error

During the year ended June 30, 2025, the Association identified an error relating to the underreporting of deferred revenue due to a timing delay between when the national organization received membership dues on behalf of the Association, and when they paid those dues to the Association. The following adjustment was necessary to correct the error and maintain comparability of the financial statements from year to year.

The error had a significant impact on the previously issued statement of financial position for the year ended June 30, 2024. The following accounts were affected by this error:

	As originally Reported <u>June 30, 2024</u>	<u>Adjustment</u>	As Adjusted <u>June 30, 2024</u>
<u>Balance Sheet</u>			
Accounts Receivable	\$ 3,118	\$ 43,598	\$ 46,716
Deferred Revenue	40,406	43,598	84,004
<u>Statement of Cash Flows</u>			
Changes in accounts receivable	29,470	(43,598)	(14,128)
Changes in deferred revenue	\$ 5,596	\$ 43,598	\$ 49,194

In accordance with Generally Accepted Accounting Principles in the United States of America, the Association has adjusted the financial statements for the year ended June 30, 2024 to reflect the correction of this error. This adjustment had no effect on previously reported net assets or changes in net assets.

3. Fair Value Measurement and Disclosure

The Association measures its assets at fair value in accordance with the fair value Measurements and Disclosures Topic of the FASB Accounting Standards Codification (ASC). This guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a framework for measuring fair value.

The Fair Value Measurements Topic of the FASB ASC establishes a framework for measuring fair value under generally accepted accounting principles. The framework provides a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

3. Fair Value Measurement and Disclosure (continued)

The three levels of the fair value hierarchy under the Fair Value Measurements Topic are described below:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level 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.

Investments are reported at fair value and consisted of the following as of June 30:

	2025			
	Fair Value	Level 1	Level 2	Level 3
Fixed income funds	\$ 169,424	\$ 169,424	\$ -	\$ -
Equity funds	294,272	294,272	-	-
Money market funds	24,984	24,984	-	-
Total investments	<u>\$ 488,680</u>	<u>\$ 488,680</u>	<u>\$ -</u>	<u>\$ -</u>
	2024			
	Fair Value	Level 1	Level 2	Level 3
Fixed income funds	\$ 168,169	\$ 168,169	\$ -	\$ -
Equity funds	272,926	272,926	-	-
Money market funds	29,084	29,084	-	-
Total investments	<u>\$ 470,179</u>	<u>\$ 470,179</u>	<u>\$ -</u>	<u>\$ -</u>

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

3. Fair Value Measurement and Disclosure (continued)

Investment return consisted of the following for the years ended June 30:

	2025	2024
Interest and dividend income	\$ 11,568	\$ 10,664
Realized and unrealized gain/(loss)	30,659	36,857
	42,227	47,521
Less: investment expenses	(3,726)	(3,352)
Net investment return	<u>\$ 38,501</u>	<u>\$ 44,169</u>

Unrealized gains for the periods ended June 30, 2025 and 2024 were \$24,801 and \$38,398, respectively.

4. Intangible Assets

Intangible assets consisted of the following as of June 30:

	2025	2024
Computer software	\$ 14,850	\$ 14,850
Less: accumulated amortization	(5,940)	(2,970)
	<u>\$ 8,910</u>	<u>\$ 11,880</u>

Amortization expense was \$2,970 and \$2,970 for the years ended June 30, 2025 and 2024, respectively. Amortization is taken over an estimated useful life of five years. Future estimated aggregate amortization expense is \$2,970 for each year ending June 30, 2026 through 2028.

5. Deferred Revenue

The following table provides information about significant changes in deferred revenue for the years ended June 30:

	2025	2024
Deferred membership revenue, beginning of year	\$ 75,756	\$ 34,810
Revenue recognized that was included in deferred membership investments at beginning of year	(75,756)	(34,810)
Increase in deferred revenue due to cash received during year	82,258	75,756
Deferred membership revenue, end of year	<u>\$ 82,258</u>	<u>\$ 75,756</u>

American Association of University Women of the State of California, Inc.
Notes to Financial Statements (continued)
Years Ended June 30, 2025 and 2024

6. Related Parties

AAUW-CA has 108 local branches and has no ownership or voting interest in these local branches. The Association provides insurance, leadership development, and technical and fundraising assistance to the local branches and, in return, receives \$20 (increased to \$30 for FY ending June 30, 2026) for each regular member plus an insurance assessment. The Association receives lesser amounts from student and honorary life members.

The Association coordinates the national AAUW Tech Trek program (Tech Trek) in California. Their 501(c)(3) fiscal agent, AAUW California Special Projects Fund (SPF), an independent 501(c)(3) corporation is responsible for receiving all donations and making all payments. However, the Association is responsible for large credit card payments, which are subsequently reimbursed by SPF. Total payments made for Tech Trek were \$41,729 and 41,705 for the years ended June 30, 2025 and 2024, respectively. Amounts due from Tech Trek as of June 30, 2025 and 2024 were \$0 and \$1,771, respectively, which were included in accounts receivable.

7. Availability of Financial Assets

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

	2025	2024
Cash and equivalents	\$ 109,180	\$ 98,032
Accounts receivable	42,479	38,468
	<u>\$ 151,659</u>	<u>\$ 136,500</u>

Although the Association does not intend to spend from their board-designated funds of \$488,680 (other than amounts appropriated for general expenditure as part of their annual budget approval and appropriation), these amounts could be made available if necessary. The Association maintains a liquid cash balance in checking and money market accounts in an amount necessary to meet their anticipated expenditures for at least the next six months. Cash in excess of this may be invested in short-term investments.

8. Contingencies

The Association is occasionally involved in litigation matters that arise in the ordinary course of operations. Management is not aware of any current or pending litigation.