

# LOS ALAMITOS EDUCATION FOUNDATION

## FINANCIAL STATEMENTS

---

December 31, 2024

(With Comparative Totals for 2023)

## CONTENTS

Independent Auditors' Report .....	1-2
Statement of Financial Position .....	3
Statement of Activities and Changes in Net Assets .....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows.....	6
Notes to the Financial Statements .....	7-18

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Los Alamitos Education Foundation  
Los Alamitos, California

### **Opinion**

We have audited the accompanying financial statements of Los Alamitos Education Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Los Alamitos Education Foundation ("LAEF" or "the Foundation") 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. 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 the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***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 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, 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 Foundation'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 Foundation'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.

### **Report on Summarized Comparative Information Audited by a Predecessor Auditor**

The financial statements of the Foundation as of and for the year ended December 31, 2023 were audited by other auditors whose report dated July 31, 2024 expressed an unmodified opinion on those financial statements. 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.



Long Beach, California  
July 7, 2025

LOS ALAMITOS EDUCATION FOUNDATION

STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2024  
(WITH COMPARATIVE TOTALS FOR 2023)

ASSETS

	December 31,	
	2024	2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 577,019	\$ 645,691
Investments	635,160	601,103
Prepaid expenses	25,754	14,285
Property and equipment, net	8,433	-
<b>TOTAL ASSETS</b>	<b>\$ 1,246,366</b>	<b>\$ 1,261,079</b>

LIABILITIES AND NET ASSETS

<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 54,104	\$ 67,492
Deferred revenue	297,356	273,327
Total liabilities	351,460	340,819
<b>CONTINGENCIES (NOTE 9)</b>		
<b>NET ASSETS</b>		
Without donor restrictions	712,853	729,496
With donor restrictions	182,053	190,764
Total net assets	894,906	920,260
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,246,366</b>	<b>\$ 1,261,079</b>

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

**LOS ALAMITOS EDUCATION FOUNDATION**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE TOTALS FOR 2023)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	
			<u>2024</u>	<u>2023</u>
<b>REVENUE AND SUPPORT</b>				
Grants and contributions	\$ 106,070	\$ 111,502	\$ 217,572	\$ 314,539
Program fees	1,779,694	-	1,779,694	1,473,675
Employee Retention Credits	-	-	-	176,208
In-kind contributions	9,200	-	9,200	-
Investment income, net	29,655	-	29,655	18,321
Special event revenue, net of expenses	161,891	-	161,891	170,901
Net assets released from restrictions	<u>120,213</u>	<u>(120,213)</u>	<u>-</u>	<u>-</u>
Total Revenue and Support	<u>2,206,723</u>	<u>(8,711)</u>	<u>2,198,012</u>	<u>2,153,644</u>
<b>EXPENSES</b>				
Program services	2,054,669	-	2,054,669	1,511,101
Management and general	71,665	-	71,665	129,210
Fundraising	<u>97,032</u>	<u>-</u>	<u>97,032</u>	<u>78,473</u>
Total Expenses	<u>2,223,366</u>	<u>-</u>	<u>2,223,366</u>	<u>1,718,784</u>
<b>CHANGE IN NET ASSETS</b>	(16,643)	(8,711)	(25,354)	434,860
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>729,496</u>	<u>190,764</u>	<u>920,260</u>	<u>485,400</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 712,853</u>	<u>\$ 182,053</u>	<u>\$ 894,906</u>	<u>\$ 920,260</u>

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

**LOS ALAMITOS EDUCATION FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE TOTALS FOR 2023)**

	<u>2024</u>			<u>2023</u>	
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>	<u>Total Expenses</u>
<b>SALARIES AND RELATED EXPENSES</b>					
Salaries	\$ 756,879	\$ 43,218	\$ 70,617	\$ 870,714	\$ 694,419
Employee benefits	14,733	11,782	2,504	29,019	13,462
Payroll taxes	76,540	3,938	6,385	86,863	61,415
Total salaries and related expenses	848,152	58,938	79,506	986,596	769,296
<b>OTHER EXPENSES</b>					
Background and fingerprinting	2,725	285	-	3,010	1,949
Bank and merchant fees	52,694	941	4,559	58,194	54,238
Classroom facility expenses	110,250	2,250	-	112,500	100,000
Donations to district	236,713	-	459	237,172	139,344
Dues and memberships	948	146	818	1,912	3,887
Financial aid, scholarships, and tuition waiver	59,738	-	-	59,738	56,068
Insurance	16,256	141	1,665	18,062	18,882
Marketing and promotion	1,695	921	2,960	5,576	3,351
Mileage and meeting expenses	1,226	1,191	568	2,985	1,875
Professional fees	33,451	2,162	5,634	41,247	21,301
Program - contracted teachers	601,158	-	-	601,158	435,552
Supplies and printing	78,687	3,039	610	82,336	53,490
Software	4,973	137	-	5,110	6,038
Telecommunications	1,450	93	253	1,796	1,011
Training and development	877	654	-	1,531	2,555
Wellness Garden and Well Space	3,676	-	-	3,676	49,947
Depreciation	-	767	-	767	-
Total other expenses	1,206,517	12,727	17,526	1,236,770	949,488
<b>TOTAL EXPENSES</b>	<b>\$ 2,054,669</b>	<b>\$ 71,665</b>	<b>\$ 97,032</b>	<b>\$ 2,223,366</b>	<b>\$ 1,718,784</b>

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

**LOS ALAMITOS EDUCATION FOUNDATION**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(WITH COMPARATIVE TOTALS FOR 2023)**

	<b>For the Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (25,354)	\$ 434,860
Adjustments to reconcile change in net assets to net cash from operating activities:		
Donated property and equipment	(9,200)	-
Depreciation expense	767	-
Reinvested dividends and interest	(20,615)	(12,489)
Net realized and unrealized gains on investments	(9,040)	(5,832)
Changes in operating assets and liabilities:		
Prepaid expenses	(11,469)	69
Accounts payable and accrued expenses	(13,388)	31,235
Deferred revenue	24,029	13,303
Net Cash (Used In) Provided By Operating Activities	<u>(64,270)</u>	<u>461,146</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(4,402)	(275,970)
Proceeds from sale of investments	-	147,068
Net Cash Used In Investing Activities	<u>(4,402)</u>	<u>(128,902)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(68,672)	332,244
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>645,691</u>	<u>313,447</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 577,019</u>	<u>\$ 645,691</u>

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

## LOS ALAMITOS EDUCATION FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2024 (WITH COMPARATIVE TOTALS FOR 2023)

#### NOTE 1 – Organization

The Los Alamitos Education Foundation ("LAEF" or "the Foundation") is an independent, non-profit organization providing enrichment classes and educational experiences that benefit every student, at every level, in every school in the Los Alamitos Unified School District.

As the sole non-profit partner of Los Alamitos Unified School District, LAEF's vision is to measurably improve student achievement results by providing significant funding to the district in critical areas impacting all students, and to provide educational enrichment opportunities for every student.

LAEF's mission is to build durable relationships that help fund the vision, share the knowledge, and prepare every child in the district for college and beyond. Program scholarships are provided to families in need, and aide support is provided to students with special needs to ensure access for all.

LAEF's tagline is to "Enhance Educational Excellence" as they work alongside Los Alamitos Unified School District to connect children with the four A's; academics, athletics, activities, and the arts.

LAEF believes that every child deserves a champion and that those champions often take the form of teachers. Through after-school K-12 programs, enrichment classes take place on campus immediately following the end of the school day in two sessions – Fall & Spring. Teachers spend one hour per week enriching students in subjects including world languages, art, dance, science, technology, athletics, driver education, drama, and much more.

The Summer Enrichment Institute (SEI) offers four weeks of education and enrichment to students to offset the "summer learning loss" and engage students away from screens/devices. Small class sizes of 20 students maximum provide a jumpstart to the student's next year of learning for elementary students, as well as enriching classes in the arts, athletics, STEM, critical thinking and more. SEI even features outdoor recess (free-play) opportunities between every class time. SEI features research-supported measures, differentiated instruction, small working groups, high-quality instruction, aligned school year and summer curricula, engaging and rigorous content, and maximized participation and attendance.

**LOS ALAMITOS EDUCATION FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**(WITH COMPARATIVE TOTALS FOR 2023)**

**NOTE 1 – Organization (Continued)**

LAEF also brings summer sports camps and summer camps in the arts to the community. Los Alamitos Unified School District coaches and directors team up with LAEF to provide camps for children from grades K-12. Camps vary in length from one week to seven weeks and take place on district campuses. Sports camps include baseball, basketball, cross country, lacrosse, soccer, tennis, track and field, and more. Camps in the arts include show choir, band and dance.

LAEF generates sustainable, significant resources that can be allocated to support the goals of the Los Alamitos Unified School District. Fundraising support is garnered through two major initiatives – the annual signature event and the major donor group. Mental Health counselor stipends, Innovation Grants, Science, Technology, Engineering, the Arts and Math (STEAM) programs, and free elementary world language classes have been the primary purpose of grants that LAEF has given to the District. Tremendous results have been achieved through this additional instruction and support.

LAEF believes in audacious goals which are achieved through its current programs. As LAEF grows, the success of students and the greater community will grow. LAEF is always looking to offer more specialized classes to stay ahead of the curve on enriching minds and inspiring success. LAEF is continuing to raise funds for the District to use as needs are constantly evolving; whether it continues to be STEAM/Innovation and Mental Health, or a new program foreseen by District administration, staff or parents.

**NOTE 2 – Summary of Significant Accounting Policies**

***Basis of Accounting***

The accompanying 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).

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Basis of Presentation*

Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified according to two classes of net assets: without donor restrictions and with donor restrictions, which are described as follows:

*Without Donor Restrictions* - Net assets that are not subject to donor-imposed restrictions. The Foundation's board of directors has discretionary control over these resources.

*With Donor Restrictions* - Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation or the passage of time. As the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities and changes in net assets as net assets released from restrictions. Other donor stipulations are perpetual in nature, where the donor stipulates that the corpus be maintained intact in perpetuity. At December 31, 2024, there were no assets with perpetual donor restrictions.

*Comparative Totals*

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

*Use of Estimates*

The Foundation uses estimates and assumptions in preparing these financial statements in accordance with U.S. GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could vary from those estimates.

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Reclassifications*

Certain amounts from the 2023 financial statements have been reclassified to conform with the 2024 financial statement presentation.

*Cash and Cash Equivalents*

The Foundation considers investments with original maturities of three months or less to be cash equivalents. The carrying amount approximates fair value because of the short maturity of those instruments.

*Investments*

The Foundation values its investments at their readily determinable fair values. Unrealized gains or losses (including investments bought, sold, and held during the year) are included in investment income on the statement of activities. Certificates of deposit are reported at the original amount deposited plus accrued interest, which approximates fair value because of the short-term nature of these deposits.

*Property and Equipment*

Property and equipment are capitalized at cost. The Foundation capitalizes purchases of property and equipment with a cost greater than \$1,000. Depreciation is computed using straight-line method over the estimated useful lives of the assets, which for office furniture is seven years. Expenditures for maintenance and repairs are charged to operations as incurred while renewals and betterments are capitalized.

Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Grants and Contributions*

All contributions are considered to be available for use unless specifically restricted by the donor. Contributions received that are designated for future periods or are restricted by the donor for specific purposes are reported as support with donor restrictions and increases that net asset class. When a donor's 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 statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions.

Contributions, including endowment gifts and pledges, are recognized as support in the period received or pledged. 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 future years are recorded at the present value of their estimated future cash flows. The cash flows are discounted at a discount rate commensurate with the risks involved, at the date the promise was made. When considered necessary, an allowance is recorded based on management's estimate of uncollectability, including such factors as prior collection history, type of contributions, reasonable and supportable forecasts, and nature of fundraising activities. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

*Program Fees*

Program fees relate to tuition and fees which are recognized when earned. Tuition and fees are recorded over the terms for which they relate.

The Foundation recognizes revenue from student tuition and fees during the year in which the related services are provided to students. The performance obligation of delivering educational services is simultaneously received and consumed by the students; therefore, the revenue is recognized ratably over the course of the summer school program.

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Special Events*

Special events are organized to raise contributions to support LAEF's activities and mainly consist of an annual Royal Gala. During the year ended December 31, 2024, the Foundation recognized revenue of \$197,704 less expenses of \$35,813 for a net special event revenue of \$161,891, which is included in the accompanying statement of activities and changes in net assets. Special Event revenue is recognized when the event takes place. Any fees received in advance are recorded as deferred revenue until the event occurs. Funds are raised through ticket sales, live auction, paddle raise, donations, and sponsorships.

*Functional Allocation of Expenses*

The costs of providing the Foundation's various programs and supporting services have been summarized on a functional basis in the statement of activities. 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, such as estimates of time and effort.

*In-Kind Goods*

Donated goods are recorded as contributions at their estimated fair value at the date of donation. Unless the donor has restricted the donated goods to a specific purpose, such donations are reported as increases in net assets without donor restrictions. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

*Income Taxes*

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Tax Code. Contributions to the Foundation are deductible for tax purposes under Section 170(c)(2) of the Internal Revenue Code. The Foundation is involved in no activities that are subject to unrelated business tax. As a result, no provision for income taxes has been made.

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Income Taxes (Continued)*

The Foundation recognizes the financial statement benefit of tax positions, such as the filing status of tax-exempt, only after determining that the relevant tax authority would more likely than not sustain the position following an audit. The Foundation is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

*Concentrations of Credit Risk*

The Foundation places its cash and cash equivalents with high-credit, quality financial institutions. At times, such cash may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant risk on its cash and cash equivalents.

*Fair Value Measurements*

Fair value is defined 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. In determining fair value, the Foundation uses various valuation approaches based on assumptions that market participants would use in pricing an asset or liability.

The Financial Accounting Standards Board (FASB) has established a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are other observable inputs, such as quoted prices for similar instruments or quoted prices in markets that are not active.
- Level 3 inputs are unobservable inputs for the asset or liability.

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

*Fair Value Measurements (Continued)*

The Foundation is required to measure noncash contributions at fair value. The valuation techniques and inputs used to measure fair value are described in Note 10. There have been no changes in methodologies used at December 31, 2024 and 2023.

*Subsequent Events*

The Foundation has evaluated the impact of subsequent events through July 7, 2025, the date the financial statements were available to be issued.

NOTE 3 – Liquidity and Availability

The Foundation maintains and manages adequate operating funds per policies set by the board of directors.

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

	December 31,	
	2024	2023
Cash and cash equivalents	\$ 577,019	\$ 645,691
Investments	635,160	601,103
	<u>1,212,179</u>	<u>1,246,794</u>
Less donor-restricted funds not available for general expenditures	<u>(182,053)</u>	<u>(190,764)</u>
	<u>\$ 1,030,126</u>	<u>\$ 1,056,030</u>

**LOS ALAMITOS EDUCATION FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**(WITH COMPARATIVE TOTALS FOR 2023)**

**NOTE 4 – Investments**

The following tables set forth by level, within the fair value hierarchy, the Foundation’s assets at fair value at December 31, 2024 and 2023:

	<b>December 31, 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Certificates of deposit	\$ 449,782	\$ -	\$ -	\$ 449,782
Mutual funds	100,343	-	-	100,343
Fixed income	85,035	-	-	85,035
Total	\$ 635,160	\$ -	\$ -	\$ 635,160

	<b>December 31, 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Certificates of deposit	\$ 349,110	\$ -	\$ -	\$ 349,110
Fixed income	251,993	-	-	251,993
Total	\$ 601,103	\$ -	\$ -	\$ 601,103

The net earnings on investments, which are included in other income in the statement of activities, are as follows:

	<b>For the Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Interest and dividend income, net	\$ 20,615	\$ 12,489
Realized and unrealized gains, net	9,040	5,832
	\$ 29,655	\$ 18,321

There were no significant investment fees.

**LOS ALAMITOS EDUCATION FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**(WITH COMPARATIVE TOTALS FOR 2023)**

**NOTE 5 - Property and Equipment**

Property and equipment consist of the following:

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
Furniture and equipment	\$ 22,291	\$ 13,091
Accumulated depreciation	<u>(13,858)</u>	<u>(13,091)</u>
Furniture and equipment, net	<u>\$ 8,433</u>	<u>\$ -</u>

Depreciation expense totaled \$767 and \$0 for the years ended December 31, 2024 and 2023, respectively.

**NOTE 6 – Deferred Revenue**

Deferred revenue consists of the following:

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
Tuition fees received in advance for the following Spring school term	\$ 286,206	\$ 239,827
Funds advanced for future fundraising events	<u>11,150</u>	<u>33,500</u>
	<u>\$ 297,356</u>	<u>\$ 273,327</u>

**LOS ALAMITOS EDUCATION FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**(WITH COMPARATIVE TOTALS FOR 2023)**

**NOTE 7 – Program Facilities**

As discussed in Note 1, LAEF was established for the benefit of students and families of the Los Alamitos Unified School District (LAUSD). LAEF and LAUSD negotiated a Memorandum of Understanding in which LAEF will be obligated to reimburse LAUSD for the usage of facilities at an amount totaling \$125,000 for the 2024-2025 school year, which is payable in four equal payments of \$31,250 each, and \$100,000 for the 2023-2024 school year, which is payable in four equal payments of \$25,000 each. All payments were made timely through the date of this report.

**NOTE 8 – Net Assets With Donor Restrictions**

The activity of net assets with donor restrictions for the year ended December 31, 2024 is as follows:

	<b>Balance at December 31, 2023</b>	<b>Contributions</b>	<b>Releases</b>	<b>Balance at December 31, 2024</b>
Net assets restricted for time or purpose:				
Education projects	\$ 1,112	\$ -	\$ (1,112)	\$ -
Scholarships	126,283	25,014	(30,842)	120,455
Special needs aides	20,000	-	(4,474)	15,526
Teachers	43,369	86,488	(83,785)	46,072
	<b>\$ 190,764</b>	<b>\$ 111,502</b>	<b>\$ (120,213)</b>	<b>\$ 182,053</b>

**NOTE 9 – Contingencies**

LAEF may be involved in various claims and lawsuits arising in the normal course of its operations. LAEF's management believes it has adequate defenses and insurance coverage for these actions.

LOS ALAMITOS EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(WITH COMPARATIVE TOTALS FOR 2023)

**NOTE 10 – In-Kind Contributions**

The Foundation received donated goods for use in their programs and operations. The values of these contributions have been determined by management or contributor based on the market value for comparable goods or services, average costs for similar goods or services based on national averages and other means deemed appropriate based on the nature and use of the contributions. There were no donor-imposed restrictions associated with the donated goods or services.

During the year ended December 31, 2024, in-kind contributions included in the accompanying statement of activities and changes in net assets consist of the following:

<u>Type</u>	<u>Valuation</u>	<u>2024</u>
Furniture and equipment	Fair Market Value	\$ 9,200