Clean Air Task Force, Inc.

Financial Statements

December 31, 2025 and 2024

Clean Air Task Force, Inc.

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GRASSI

Independent Auditors' Report

To The Board of Trustees
Clean Air Task Force, Inc.
Boston, Massachusetts

Opinion

We have audited the accompanying financial statements of Clean Air Task Force, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, 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 referred to above present fairly, in all material respects, the financial position of Clean Air Task Force, Inc. as of December 31, 2025, 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 Clean Air Task Force, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Clean Air Task Force, Inc. as of December 31, 2024 were audited by Anstiss & Co., P.C., who merged with Grassi & Co., CPAs, P.C. as of January 1, 2025, and whose report dated August 8, 2025, expressed an unmodified opinion on those statements.

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 Clean Air Task Force, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

6 OMNI WAY, STE. 201, CHELMSFORD, MA 01824
P: 978.452.2500 • F: 978.458.0425 • GRASSIADVISORS.COM

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 Clean Air Task Force, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clean Air Task Force, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

Chelmsford, Massachusetts
July 31, 2026

Clean Air Task Force, Inc.
Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 36,274,139	$ 26,036,422
Investments	3,108,531	3,039,747
Grants receivable, net	8,899,393	15,019,150
Other receivables	-	45,460
Due from related party	192,571	195,017
Prepaid expenses and deposits	1,513,365	1,339,461
Property and equipment, net	71,340	128,539
Operating lease assets, net	1,101,406	1,405,173
Total assets	$ 51,160,745	$ 47,208,969
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 720,355	$ 2,719,308
Payroll liabilities	1,271,936	961,301
Operating lease liabilities	1,238,367	1,498,317
Total liabilities	3,230,658	5,178,926
Net assets:		
Without donor restrictions	22,663,568	15,510,590
With donor restrictions	25,266,519	26,519,453
Total net assets	47,930,087	42,030,043
Total liabilities and net assets	$ 51,160,745	$ 47,208,969

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

Clean Air Task Force, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Donations/grants	$ 21,080,753	$ 26,167,773	$ 47,248,526
In-kind contributions	232,036	-	232,036
Other income	605,532	-	605,532
Investment return	770,524	-	770,524
Net assets released from restrictions	27,420,707	(27,420,707)	-
Total revenue	50,109,552	(1,252,934)	48,856,618
Expenses			
Program services	33,490,121	-	33,490,121
Management and general	7,937,963	-	7,937,963
Fundraising	1,528,490	-	1,528,490
Total expenses	42,956,574	-	42,956,574
Change in net assets	7,152,978	(1,252,934)	5,900,044
Net assets at beginning of year	15,510,590	26,519,453	42,030,043
Net assets at end of year	$ 22,663,568	$ 25,266,519	$ 47,930,087

Clean Air Task Force, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Donations/grants	$ 19,423,823	$ 29,406,191	$ 48,830,014
In-kind contributions	331,685	-	331,685
Other income	617,632	-	617,632
Investment return	630,003	-	630,003
Net assets released from restrictions	21,641,026	(21,641,026)	-
Total revenue	42,644,169	7,765,165	50,409,334
Expenses			
Program services	28,399,522	-	28,399,522
Management and general	11,291,781	-	11,291,781
Fundraising	1,086,307	-	1,086,307
Total expenses	40,777,610	-	40,777,610
Change in net assets	1,866,559	7,765,165	9,631,724
Net assets at beginning of year	13,644,031	18,754,288	32,398,319
Net assets at end of year	$ 15,510,590	$ 26,519,453	$ 42,030,043

Clean Air Task Force, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Salaries	$ 14,225,603	$ 3,017,479	$ 776,370	$ 18,019,452
Payroll taxes and employee benefits	3,587,211	1,101,863	190,023	4,879,097
Total	17,812,814	4,119,342	966,393	22,898,549
Project consultants	7,376,635	896,415	40,315	8,313,365
Grants and distributions	5,537,815	-	-	5,537,815
Travel	2,209,537	344,628	276,672	2,830,837
Management consultants	232,036	621,807	-	853,843
Telephone, fax, and internet	68,837	549,335	95,836	714,008
Occupancy	35,659	614,651	5,506	655,816
Subscriptions and publications	140,448	513,062	2,132	655,642
Other expenses	37,037	143,399	138,891	319,327
Supplies	36,188	52,809	2,116	91,113
Depreciation and amortization	-	57,199	-	57,199
Repairs and maintenance	1,700	17,729	-	19,429
Postage and shipping	1,415	7,587	629	9,631
Total expenses	$ 33,490,121	$ 7,937,963	$ 1,528,490	$ 42,956,574

Clean Air Task Force, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Salaries	$ 13,585,735	$ 5,172,666	$ 549,126	$ 19,307,527
Payroll taxes and employee benefits	3,313,490	1,055,436	125,088	4,494,014
Total	16,899,225	6,228,102	674,214	23,801,541
Project consultants	6,616,330	1,260,465	111,756	7,988,551
Travel	1,871,094	784,842	139,973	2,795,909
Grants and distributions	2,181,860	7,500	-	2,189,360
Management consultants	307,085	762,913	-	1,069,998
Subscriptions and publications	174,646	693,219	1,722	869,587
Telephone, fax, and internet	107,370	660,891	31,734	799,995
Occupancy	4,664	660,478	-	665,142
Other expenses	214,293	105,836	122,567	442,696
Depreciation and amortization	-	66,728	-	66,728
Supplies	17,987	34,116	3,211	55,314
Repairs and maintenance	-	18,574	-	18,574
Postage and shipping	4,968	8,117	1,130	14,215
Total expenses	$ 28,399,522	$ 11,291,781	$ 1,086,307	$ 40,777,610

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

Clean Air Task Force, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 5,900,044	$ 9,631,724
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized losses (gains) on investments	11,249	(1,784)
Non-cash portion of occupancy expense for operating leases	328,790	328,130
Depreciation and amortization	57,199	66,728
Changes in assets and liabilities:		
Decrease (increase) in grants receivable	6,119,757	(2,369,114)
Decrease (increase) in other receivables	45,460	(45,261)
Decrease (increase) in due from related party	2,446	(195,017)
(Increase) decrease in prepaid expenses and deposits	(173,904)	712,926
Decrease in accounts payable and accrued expenses	(1,998,953)	(330,595)
Increase in payroll liabilities	310,635	69,200
Decrease in deferred revenue	-	(4,693)
Decrease in operating lease liabilities	(284,973)	(274,164)
Net cash provided by operating activities	10,317,750	7,588,080
Cash flows from investing activities:		
Proceeds from sales of investments	14,809	20,872,283
Purchases of investments	(94,842)	(8,123,136)
Purchases of property and equipment	-	(40,875)
Net cash (used in) provided by investing activities	(80,033)	12,708,272
Net increase in cash and cash equivalents	10,237,717	20,296,352
Cash and cash equivalents at beginning of year	26,036,422	5,740,070
Cash and cash equivalents at end of year	$ 36,274,139	$ 26,036,422
Supplemental disclosures of noncash operating activities:		
Operating lease assets obtained in exchange for operating lease liabilities	$ 25,023	$ 938,756

Note 1 - Nature of Operations

Clean Air Task Force, Inc. (the "Organization") was incorporated on April 13, 2000 as a not-for-profit corporation. The stated purpose of the Organization is to address air pollution issues through research, education/outreach, advocacy, and advocacy network support.

Note 2 - Summary of Significant Accounting Policies

The following is a summary of significant accounting policies applied by the Organization in the preparation of the accompanying financial statements.

Basis of Presentation
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"). Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time the liabilities are incurred. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions
Net assets that are not subject to donor-imposed stipulations are classified as net assets without donor restrictions.

Net Assets With Donor Restrictions
Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time, are classified as net assets with donor restrictions. When a restriction expires, 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.

Uncertain Tax Positions
The Organization, incorporated under Chapter 180 of the Massachusetts General Laws as a tax-exempt entity, has been granted tax-exempt status under Internal Revenue Code Section 501(c)(3), and is, therefore, generally exempt from federal and state income taxes. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2022.

Use of Estimates
The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Summary of Significant Accounting Policies (continued)

Cash Equivalents
For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates fair value.

Grants Receivable
Grants receivable are stated net of an allowance for doubtful grants receivable. Grants receivable that are expected to be collected within one year are recorded at net realizable value. Grants receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the grants are received. Amortization of the discounts is included in donations/grants revenue. Conditional grants are not included as revenue until conditions are substantially met.

Allowance for Doubtful Grants Receivable
The Organization determines whether an allowance for doubtful grants receivable should be provided for grants receivable. Such estimates are based on management's assessment of the aged basis of the receivables, current economic conditions and historical information. Receivables are written off against the allowance for doubtful grants receivable when all reasonable collection efforts have been exhausted. Interest is not charged on outstanding receivables. The Organization has determined that no allowance for doubtful grants receivable was necessary at December 31, 2025 and 2024.

Fair Value Measurements
The Organization follows the provisions of ASC 820, *Fair Value Measurement*. ASC 820 applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. The standard emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

> Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization 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 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.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Note 2 - Summary of Significant Accounting Policies (continued)

Investments

The Organization follows the provisions of ASC 958-320, *Investments - Debt Securities*, and ASC 958-321, *Investments - Equity Securities,* whereby investments with readily determinable quoted prices are reported at their fair value in the statements of financial position. Unrealized gains and losses are included in the accompanying statements of activities. Investments are composed primarily of cash and cash alternatives.

Property and Equipment

Property and equipment, consisting of office furniture, equipment, and leasehold improvements, are recorded at cost. Donated property and equipment are recorded at their estimated fair market value at the time of donation. Expenditures for repairs and maintenance are charged to expense as incurred. The Organization's policy is to capitalize property and equipment in excess of $7,500 that are not in the nature of replacements or repairs.

When assets are retired or disposed of, the assets and related accumulated depreciation or amortization are eliminated from the accounts, and any resulting gain or loss is reflected in income. Leasehold improvements are amortized over the lesser of the life of the lease or the economic life of the asset. Office furniture and equipment are depreciated using the straight-line method over the estimated useful life of the assets as follows:

Description	Years
Computer, office, and other equipment	3-7
Furniture	5-7
Leasehold improvements	2-6

Revenue Recognition

The Organization's contributions come primarily from grants received from private foundations and corporations. All grants received by the Organization are non-reciprocal and are therefore accounted for as contributions. The Organization recognizes contributions when cash, other assets, or an unconditional promise to give is received in accordance with U.S. GAAP. Contributions are measured at their fair values and are reported as an increase in net assets. The Organization reports contributions as restricted support if they are received with donor stipulations about the use of the donated assets or if they are designated for use in future periods. All contributions are considered available for general operations unless specifically restricted by the donor.

A contribution is considered to be conditional when the donor imposes both a barrier and a right of return. Barriers may include specific and measurable outcomes, limitations on performance of an activity, and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Organization fails to overcome one or more barriers. Conditional contributions are recognized as revenue when all donor-imposed barriers are overcome or explicitly waived by the donor. Assets received before the related conditional contribution is recognized are accounted for as refundable advances.

Note 2 - Summary of Significant Accounting Policies (continued)

In-Kind Contributions

Gifts-in-kind ("GIKs") are reported as contributions at their estimated fair value on the date of receipt and are reported as expense when utilized. GIKs are valued based upon reports received from third parties. For the years ended December 31, 2025 and 2024, the Organization received donated legal services, which are considered to be GIKs, totaling $232,036 and $331,685, respectively, which are included in management and general.

Leases

The Organization applies a two-model approach to all leases in which it is a lessee and classifies leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the Organization. Lease classification is evaluated at the inception of the lease agreement. Regardless of classification, the Organization records a right-of-use asset and a lease liability for all leases with a term greater than 12 months. In order to calculate the lease liability, certain assumptions related to lease terms and discount rates are made. Renewal options are evaluated in the determination of lease terms. When available, the Organization uses the rate implicit in the lease or a borrowing rate based on similar debt to discount lease payments. However, when a lease does not provide a readily determinable implicit rate, and the Organization's existing debt does not have similar terms, the Organization uses the U.S. Treasury rate constant maturity at each lease commencement date to discount lease payments. At December 31, 2025 and 2024, the Organization applied discount rates ranging from 3.81% and 8.50% and 3.81% and 6.50%, respectively, for operating leases.

Functional Allocation of Expenses

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. The statement of functional expenses is required to present the natural classification detail of expenses by function allocated on a reasonable basis that is consistently applied. Expenses that can be identified with a specific program and support services are allocated directly. Based on management's estimates, certain costs have been allocated among major classes of program services and supporting activities. Salaries and wages, benefits, payroll taxes, and certain other expenses are allocated based on estimates of time and effort. Other expenses that are common to several functions are allocated as appropriate.

Reclassifications

Certain amounts in the prior year financial statements were reclassified to conform to current year presentation.

Note 3 - Liquidity and Availability

Financial assets available within one year for general expenditure consisted of the following at December 31, 2025 and 2024:

	2025	2024
Cash and cash equivalents	$36,274,139	$26,036,422
Investments	3,108,531	3,039,747
Grants and other receivables within one year	5,313,333	14,274,964
Total financial assets available for expenditure	44,696,003	43,351,133
Less: amount not available for general expenditure		
Net assets with donor restrictions	(21,680,459)	(25,775,267)
Total financial assets available for general expenditure within one year	$23,015,544	$17,575,866

To manage liquidity, the Organization strives to maintain six months of operating reserves on hand to meet current liquidity needs and address shortfall in cash flow caused by seasonal revenue cycles. The operating reserves are maintained in local bank accounts. The Organization also maintains a line of credit in the amount of $275,000 (see Note 9) which it can draw upon.

Note 4 - Net Investment Return

Realized gains or losses on investments are determined by comparison of the difference between market values or average cost, respectively. Interest and dividend income is recognized when earned.

Net investment return consists of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Interest and dividends	$ 781,773	$ 628,219
Realized (losses) gains on investments	(11,249)	1,784
Net investment return	$ 770,524	$ 630,003

Note 5 - Fair Value Measurements

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures (see Note 2). The following table presents the Organization's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2025 and 2024:

	2025			
	Total	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Cash and equivalents	$ 3,108,531	$ 3,108,531	$ -	$ -
Total	$ 3,108,531	$ 3,108,531	$ -	$ -

	2024			
	Total	Quoted prices in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Cash and equivalents	$ 3,039,747	$ 3,039,747	$ -	$ -
Total	$ 3,039,747	$ 3,039,747	$ -	$ -

Note 6 - Grants Receivable

The following table summarizes grants receivable as of December 31, 2025 and 2024:

	2025	**2024**
Receivable in less than one year	$ 5,313,333	$14,274,964
Receivable in one to five years	3,774,030	800,000
Total gross grants receivable	9,087,363	15,074,964
Less: discounts to net present value ranging from 3.54% to 7.50%	(187,970)	(55,814)
Grants receivable, net	$ 8,899,393	$15,019,150

At December 31, 2025, approximately 75% of the Organization's grants receivable were due from three donors. At December 31, 2024, approximately 53% of the Organization's grants receivable were due from two donors.

Note 6 - Grants Receivable (continued)

As of December 31, 2025 and 2024, the Organization had conditional promises to give from two and one donor totaling $5,000,000 and $3,000,000, respectively, that have not been included in the accompanying financial statements and will not be included in the Organization's financial statements until conditions are substantially met. The contributions are contingent upon the Organization meeting the donor's requirements as stipulated in the grant agreements. Management anticipates that all conditions under these agreements will be met.

Note 7 - Property and Equipment

Property and equipment consists of the following as of December 31, 2025 and 2024:

	2025	2024
Specialty equipment	$ 283,890	$ 283,890
Computer equipment	48,221	48,221
Other equipment	28,084	28,084
Furniture and fixtures	25,212	25,212
Leasehold improvements	5,828	5,828
Total	391,235	391,235
Less: accumulated depreciation and amortization	(319,895)	(262,696)
Property and equipment, net	$ 71,340	$ 128,539

Depreciation and amortization totaled $57,199 and $66,728 for the years ended December 31, 2025 and 2024, respectively.

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions consists of the following as of December 31, 2025 and 2024:

	2025	2024
Purpose restrictions:		
Coal plant programs and other	$ 16,367,126	$ 11,500,303
Time restrictions:		
Grants and other receivables, net	8,899,393	15,019,150
Total net assets with donor restrictions	$ 25,266,519	$ 26,519,453

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors totaled $27,420,707 and $21,641,026 for the years ended December 31, 2025 and 2024, respectively.

Note 9 - Line of Credit

The Organization has a line of credit in the amount of $275,000 with Bank of America that is secured by the Organization's receivables and equipment. As of December 31, 2025 and 2024, there was no amount outstanding on this line. The interest rate on this available line is equal to Bank of America's prime rate (6.75% and 7.50% as of December 31, 2025 and 2024, respectively) plus 1.00%, and there are no commitment fees on unused amounts. The interest rate was 7.75% and 8.50% as of December 31, 2025 and 2024, respectively. The line of credit expires December 31, 2026.

Note 10 - Operating Leases

The Organization leases office facilities and storage space under the terms of operating lease agreements requiring monthly payments ranging from approximately $1,100 to $18,200 and expiring in various years through 2030.

The following table summarizes the total operating lease costs for the years ended December 31, 2025 and 2024, which are included in occupancy expense in the accompanying statements of functional expenses:

	2025	2024
Lease costs:		
Total operating lease costs	$ 423,562	$ 387,206
Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 284,973	$ 274,164
Weighted-average remaining lease term in years	3.62	4.34
Weighted-average discount rate	4.76%	4.82%

The total annual future minimum lease payments under the operating lease liabilities are as follows as of December 31, 2025:

Years ending December 31:	
2026	$ 437,155
2027	381,368
2028	190,792
2029	195,444
2030	132,403
Total minimum operating lease payments	1,337,162
Less amounts representing interest	(98,795)
Total operating lease liabilities	$1,238,367

Note 11 - Commitments, Contingencies and Indemnifications

From time to time, the Organization may become involved in litigation relating to claims arising in the normal course of business which are considered routine and incidental to the business. The Organization is currently not a party to any legal proceedings which, in management's opinion, would have a material effect on its financial condition other than that noted below.

In June 2024, the Organization reached a joint stipulation settlement for litigation claims requesting the Organization return grant funds to an organization with a bankruptcy case. Pursuant to this stipulation, the Organization paid the $500,000 settlement within 30 days of the signed agreement.

The Organization leases office space under non-cancelable operating leases. The Organization has standard indemnification arrangements under these leases that requires the Organization to indemnify the landlord against losses, liabilities and claims incurred in connection with the premises covered by the Organization's leases, the Organization's use of the premises, property damage or personal injury, and breach of agreement.

Note 12 - Concentrations

The Organization maintains cash balances at several financial institutions. Such balances are insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000 per institution. At December 31, 2025 and 2024, and from time to time during the years then ended, the Organization's balances exceeded these limits.

Investments are exposed to market and credit risks. Due to the risk associated with such investments and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in values in the near term could materially affect investment balances and the amounts reported in the financial statements.

Approximately 32% of revenue was received from two private foundations for the year ended December 31, 2024. There were no concentrations of grant revenue for the year ended December 31, 2025.

Note 13 - Retirement Plan

The Organization has a Safe Harbor 401(k) Plan (the "Plan"). The Plan covers all eligible employees who meet minimum age and service requirements. The total expense under this Plan for the years ended December 31, 2025 and 2024 was $603,547 and $598,020, respectively.

Note 14 - Related Party Activities

The Organization incurred $15,080 for consulting services provided by a corporation owned by a board member during the year ended December 31, 2025. There were no consulting services incurred to this related party during 2024.

During the years ended December 31, 2025 and 2024, the Organization recognized revenue of $605,532 and $617,632, respectively, from CATF Action, Inc. for services provided in accordance with a management agreement between the two entities. As of December 31, 2025 and 2024, the Organization had a receivable of $192,571 and $195,017, respectively, from CATF Action, Inc. for these services. These amounts are included in other income in the accompanying statements of activities and changes in net assets and in due from related party in the accompanying statements of financial position as of and for the years ended December 31, 2025 and 2024, respectively.

During the year ended December 31, 2025, the Organization provided a grant in the amount of $1,000,000 to CATF Action, Inc. There was no grant provided to CATF Action, Inc. for the year ended December 31, 2024.

Note 15 - Subsequent Events

The Organization has evaluated all events or transactions that occurred after December 31, 2025 through July 31, 2026, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.