Rebuilding Together Silicon Valley

(a not-for-profit corporation)

Financial Statements
and
Independent Auditors' Report

For the Years Ended June 30,
2025 and 2024

Rebuilding Together Silicon Valley
Table of Contents

For the Years Ended June 30, 2025 and 2024

	Page No.
Independent Auditors' Report	1-3
Financial Statements:	
Statements of Financial Position	4
Statements of Activities and Changes in Net Assets	5-6
Statements of Functional Expenses	7-8
Statements of Cash Flows	9
Notes to Financial Statements	10-20
Supplementary Information:	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	21-22
Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	23-25
Schedule of Expenditures of Federal Awards	26
Summary of Auditors' Results	27
Schedule of Findings and Questioned Costs	28

Independent Auditors' Report

To the Board of Directors
Rebuilding Together Silicon Valley
San Jose, California

Opinion

We have audited the financial statements of Rebuilding Together Silicon Valley, a not-for-profit corporation, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Rebuilding Together Silicon Valley as of June 30, 2025 and 2024 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rebuilding Together Silicon Valley and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rebuilding Together Silicon Valley's ability to continue as a going concern for 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rebuilding Together Silicon Valley'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 Rebuilding Together Silicon Valley'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles,* and *Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of Rebuilding Together Silicon Valley's internal control over financial reporting, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rebuilding Together Silicon Valley's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rebuilding Together Silicon Valley's internal control over financial reporting and compliance.

BryMar

Cupertino, California
December 2, 2025

Rebuilding Together Silicon Valley
Statements of Financial Position

June 30, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 155,072	$ 220,604
Investments	908,066	816,465
Contributions and grants receivable	1,046,065	1,098,772
Prepaid expense	22,567	39,595
Building supplies inventory	40,455	29,709
Total current assets	2,172,225	2,205,145
Deposit	4,464	4,464
Right-of-use asset	332,578	410,171
Property and equipment, net	7,038	18,106
Total assets	$ 2,516,305	$ 2,637,886
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 4,548	$ 12,004
Accrued liabilities	124,904	120,141
Current portion of lease liability	78,715	72,519
Total current liabilities	208,167	204,664
Lease liability, net of current portion	259,857	338,572
Total liabilities	468,024	543,236
Net assets		
Without donor restrictions		
Undesignated	1,067,946	1,175,616
Board designated reserve	918,425	918,425
Total without donor restrictions	1,986,371	2,094,041
With donor restrictions	61,910	609
Total net assets	2,048,281	2,094,650
Total liabilities and net assets	$ 2,516,305	$ 2,637,886

See independent auditors' report and accompanying notes to financial statements.

Rebuilding Together Silicon Valley
Statement of Activities and Changes in Net Assets

For the Year Ended June 30, 2025

	Without donor restrictions	With donor restrictions	Total
REVENUE AND SUPPORT			
Sponsorships	$ 257,330	$ -	$ 257,330
Government grants	2,780,203	-	2,780,203
Contributions	401,317	129,000	530,317
Nonfinancial contributions	47,129	-	47,129
Special events, net of $16,380 of expenses	109,146	-	109,146
Total revenue and support	3,595,125	129,000	3,724,125
Net assets released from restrictions	67,699	(67,699)	-
Total revenue and support with net assets released from restrictions	3,662,824	61,301	3,724,125
EXPENSES			
Program services	3,141,709	-	3,141,709
Management and general	490,088	-	490,088
Fundraising	241,466	-	241,466
Total expenses	3,873,263	-	3,873,263
OTHER INCOME			
Interest and dividend income	30,878	-	30,878
Investment gain, net of expenses	70,626	-	70,626
Miscellaneous income	1,265	-	1,265
Total other income	102,769	-	102,769
Total change in net assets	(107,670)	61,301	(46,369)
Net assets, beginning of year	2,094,041	609	2,094,650
Net assets, end of year	$ 1,986,371	$ 61,910	$ 2,048,281

See independent auditors' report and accompanying notes to financial statements.

Rebuilding Together Silicon Valley
Statement of Activities and Changes in Net Assets

For the Year Ended June 30, 2024

	Without donor restrictions	With donor restrictions	Total
REVENUE AND SUPPORT			
Sponsorship	$ 327,332	$ -	$ 327,332
Government grants	2,408,761	-	2,408,761
Contributions	278,053	20,000	298,053
Nonfinancial contributions	72,283	-	72,283
Special events, net of $23,909 of expenses	128,831	-	128,831
Total revenue and support	3,215,260	20,000	3,235,260
Net assets released from restrictions	189,391	(189,391)	-
Total revenue and support with net assets released from restrictions	3,404,651	(169,391)	3,235,260
EXPENSES			
Program services	2,816,619	-	2,816,619
Management and general	472,061	-	472,061
Fundraising	118,471	-	118,471
Total expenses	3,407,151	-	3,407,151
OTHER INCOME			
Interest and dividend income	44,204	-	44,204
Investment gain, net of expenses	48,349	-	48,349
Miscellaneous income	1,943	-	1,943
Total other income	94,496	-	94,496
Total change in net assets	91,996	(169,391)	(77,395)
Net assets, beginning of period	2,002,045	170,000	2,172,045
Net assets, end of period	$ 2,094,041	$ 609	$ 2,094,650

See independent auditors' report and accompanying notes to financial statements.

Rebuilding Together Silicon Valley
Statement of Functional Expenses

For the Year Ended June 30, 2025

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total Expenses
Wages and salaries	$ 797,858	$ 340,965	$ 144,961	1,283,784
Payroll taxes and fringe benefits	149,961	54,805	21,209	225,975
Compensation and related expenses	947,819	395,770	166,170	1,509,759
Program materials and supplies	1,906,774	-	-	1,906,774
Rent and facility expenses	109,408	4,235	4,969	118,612
Insurance	51,037	1,975	2,318	55,330
Marketing	2,277	90	-	2,367
Payroll fees	20,533	8,784	3,399	32,716
Office expenses	4,881	189	3,578	8,648
Office equipment	32,253	1,253	2,814	36,320
Printing and reproductions	176	-	7875	8,051
Professional fees	-	73,699	553	74,252
Training and staff development	6,741	813	279	7,833
Travel	24,831	-	274	25,105
Staff appreciation	-	2,883	-	2,883
Volunteer program expenses	22,473	-	-	22,473
Volunteer appreciation	2,300	-	-	2,300
Fundraising committee	-	-	5,833	5,833
Bad debt expense	-	-	42,939	42,939
Depreciation	10,206	397	465	11,068
Total expenses	$ 3,141,709	$ 490,088	$ 241,466	$ 3,873,263

See independent auditors' report and accompanying notes to financial statements.

Rebuilding Together Silicon Valley
Statement of Functional Expenses

For the Year Ended June 30, 2024

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total Expenses
Wages and salaries	$ 876,343	$ 308,366	$ 81,682	$ 1,266,391
Payroll taxes and fringe benefits	157,331	55,362	14,665	227,358
Compensation and related expenses	1,033,674	363,728	96,347	1,493,749
Program materials and supplies	1,444,257	-	-	1,444,257
Rent and facility expenses	120,113	6,913	4,505	131,531
Insurance	32,689	1,881	1,226	35,796
Marketing	6,111	352	229	6,692
Payroll fees	22,142	7,792	2,064	31,998
Office expenses	8,002	460	300	8,762
Office equipment	32,262	1,857	1,210	35,329
Printing and reproductions	6,942	400	260	7,602
Professional fees	-	82,351	-	82,351
Training and staff development	25,280	1,455	948	27,683
Travel	28,128	1,619	1,055	30,802
Staff appreciation	-	1,979	-	1,979
Volunteer program expenses	25,390	-	-	25,390
Volunteer appreciation	7,379	425	277	8,081
Fundraising committee	-	-	9,497	9,497
Bad debt expense	9,500	-	-	9,500
Depreciation	14,750	849	553	16,152
Total expenses	$ 2,816,619	$ 472,061	$ 118,471	$ 3,407,151

See independent auditors' report and accompanying notes to financial statements.

Rebuilding Together Silicon Valley
Statements of Cash Flows

For the Years Ended June 30, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (46,369)	$ (77,395)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	11,068	16,152
Bad debt expense	42,939	9,500
Net realized and unrealized loss on investments	(70,626)	(48,349)
Donated securities	(1,078)	(1,191)
(Increase) decrease in operating assets:		
Contributions and grants receivable	9,768	58,390
Prepaid expense	17,028	(8,524)
Building supplies inventory	(10,746)	(23,377)
Increase (decrease) in operating liabilities:		
Accounts payable	(7,456)	2,061
Accrued liabilities	4,763	3,005
Lease asset and liability	5,074	(4,310)
Net cash provided by (used in) operating activities	(45,635)	(74,038)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	-	(4,130)
Proceeds from sales of investments	395,730	251,235
Acquisition of investments	(415,627)	(285,156)
Net cash provided by (used in) investing activities	(19,897)	(38,051)
Net increase (decrease) in cash and cash equivalents	(65,532)	(112,089)
Cash and cash equivalents, beginning of year	220,604	332,693
Cash and cash equivalents, end of year	$ 155,072	$ 220,604
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Donated securities	$ 1,078	$ 1,191
Operating cash flows for operating leases	$ 89,726	$ 99,031
Right-of-use assets obtained in exchange for new operating lease liabilities	$ -	$ 422,173

See independent auditors' report and accompanying notes to financial statements.

NOTE 1 - NATURE OF OPERATIONS

Repairing homes, revitalizing communities, rebuilding lives is the mission of Rebuilding Together Silicon Valley (the Organization). Since 1991, the Organization has transformed the lives of our neighbors in need by improving the safety and health of their homes and revitalizing our community. The Organization provides facility repairs and maintenance activities for nonprofit organizations, to allow them to focus on serving clients rather than paying for repairs.

Annually, volunteers gather to complete safety repairs and accessibility modifications and improvements to preserve affordable homeownership and restore safe living environments. All work is provided at no cost to the owner, with materials provided through donations and funds from area government, businesses, organizations, faith communities and private individuals. Since inception, over 80,466 local volunteers have repaired and transformed over 5,625 homes and non-profit community facilities in the Silicon Valley community.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under the accrual basis of accounting, revenue and support are recorded when earned and expenses when incurred and accordingly reflect all significant receivables, payables and other liabilities.

Basis of presentation

The Organization presents information regarding its financial position and activities according to two classes of net assets:

> Net assets without donor restrictions consist of net assets that are for use in general operations and are not subject to donor (or certain grantor) restrictions. The governing board has designated $918,425 net assets without donor restrictions for the years ended June 30, 2025 and 2024 for an operating reserve.
>
> Net assets with donor restrictions represent contributions whose use has donor-imposed restrictions. The 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. 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 has been fulfilled, or both.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For the purpose of reporting cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of 90 days or less at the date of purchase to be cash equivalents. The carrying amount in the statements of financial position approximates fair value.

Contributions and grants receivable

Contributions and grants receivable are stated at the amount the Organization expects to collect and consists primarily of government agency and foundation grants. At June 30, 2025 and 2024, the Organization did not have receivables that were due over one year. Based on management's assessment of the donors and grantors having outstanding balances and their past history, they concluded that losses on balances outstanding at year-end are unlikely; therefore, no allowance for uncollectible contributions and grants has been recorded.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return (loss) is reported in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment expenses.

Fair value of financial instruments

Financial instruments included in the Organization's statements of financial position for the years ended June 30, 2025 and 2024 include cash and cash equivalents, investments, contributions and grants receivable, accounts payable and accrued liabilities, for which the carrying amounts represent a reasonable estimate of the corresponding fair values.

Prepaid expense

Prepaid expense consists of insurance that is paid in advance of when due and is expected to be realized within one year.

Building supplies inventory

Building supplies inventory represents materials for repair and rebuilding projects and is stated at the lower of cost or net realizable value.

Deposit

The deposit is a security deposit on the leased building and is expected to be received at the end of the lease.

Property and equipment

Property and equipment exceeding $2,000 are recorded at cost if purchased or at estimated fair market value at date of gift, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Equipment	3-5 years
Vehicles	5 years
Software	5 years
Leasehold improvements	5 years

Accounts payable

Accounts payable consist of amounts due for expenses incurred but not paid until the subsequent year.

Accrued liabilities

Accrued liabilities consist of payroll and vacation expenses earned but not yet paid.

Leases

The Organization elects to not recognize a lease liability or right-of-use asset for leases with a starting lease term of 12 months or less.

Right-of-use assets

A contract is or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are amortized on a straight-line basis over its lease term. Right-of-use assets are subject to evaluation of potential impairment.

Lease liabilities

At the commencement date of the lease, the Organization recognizes lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Organization uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments.

Revenue recognition

Contribution revenue - The Organization records unconditional contributions, including unconditional promises to give as revenue at fair value in the period the contribution or pledge 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 are substantially met. On June 30, 2025 and 2024, the Organization had no conditional contributions. The Organization reports gifts of cash and other assets as restricted support if such gifts are received with donor stipulations that limit the use of the donated assets. When such restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

The Organization receives a significant portion of its operating funds from government grants and contracts. The grants are reimbursed either on a cost reimbursement basis or on a fee for service basis. These funds are considered earned and reported as revenue when expenses are incurred for cost reimbursable grants and when services are provided for fee for service contracts.

Grants are recognized as revenue over the period specified in the related grant agreements and classified as net assets without donor restrictions. Donor restricted contributions will be classified as net assets with donor restrictions if the restrictions are not fulfilled in the same year the contribution was recognized.

Exchange revenue - In accordance with ASU 2014-09, the Organization recognizes exchange revenue upon the transfer of goods or services to a customer at an amount that reflects the expected consideration to be received in exchange for those goods or services. Management uses judgment in evaluation of the following criteria: 1) the client simultaneously receives and consumes the benefits provided by the performance of the service; 2) the performance creates or enhances an asset that is under control of the client; 3) the performance does not create an asset with an alternative use to the Organization; 4) the Organization has an enforceable right to payment; and 5) the Organization's primary form of revenue is fixed-price arrangements. Fixed-price arrangements consist of revenues in which the customer agrees to pay a fixed fee over a specified contract term or recurring time. The Organization measures progress toward satisfaction of the performance obligation as the fixed-price arrangement services are provided. Payments received in advance of the Organization satisfying its performance obligation are recorded within deferred revenues in the accompanying statements of financial position.

Special events – The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event - the exchange component, and a portion represents a contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The performance obligation is delivery of the event. The event fee is set by the Organization. In accordance with FASB's Accounting Standards Update (ASU) 2014-19, *Revenue from Contracts with Customers*, allocation of the transaction price to the performance obligation(s) is required. Accordingly, the Organization separately presents in its notes to the financial statements, the exchange and contribution components of the gross proceeds from special events. For special event fees received before year-end for an event to occur after year-end, the Organization follows the American Institute of Certified Public Accountants (AICPA) guidance where the inherent contribution is conditioned on the event taking place and is therefore treated as a refundable advance along with the exchange component. Special event fees collected by the Organization in advance of its delivery are initially recognized as deferred revenue and recognized as special event revenue after delivery of the event.

Sponsorships – The Organization receives sponsorships which are unconditional contributions for the Organization's Rebuilding Day and Paint the Town events.

Nonfinancial contributions

The Organization records nonfinancial support including contributed assets and professional services. Contributed professional services are recognized if the services received (a) create or enhance a nonfinancial asset or (b) require specialized skills, provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized as nonfinancial asset donations at their fair market value. The amounts reflected in the accompanying financial statements as nonfinancial contributions are offset by like amounts included in expense.

The Organization receives services donated by members of the community. These services do not meet the criteria for recognition as contributed services under GAAP.

Functional expense allocations

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities and changes in net assets and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses applicable to more than one program are allocated based on usage and management's estimates.

Marketing

Advertising expenses to promote various program offerings are expensed as incurred. Marketing expenses for the years ended June 30, 2025 and 2024 were $2,367 and $6,692, respectively.

Tax exempt status

The Organization is exempt from Federal and State income taxes under Sections 501(c)(3) of the Internal Revenue Code (IRC) and 23701d of the California Revenue and Taxation Code, respectively. The Organization has no unrelated business income for the years ended June 30, 2025 and 2024. Accordingly, no provision is made for income taxes in these financial statements.

GAAP requires an organization to recognize the tax benefit or liability associated with a tax position taken for the tax return purposes when it is more likely than not the position will be sustained. The Organization does not believe there are any material uncertain tax positions and accordingly, they will not recognize any liability for unrecognized tax benefits. For the years ended June 30, 2025 and 2024, there were no tax related interest or penalties recorded or included in the financial statements. The Organization is subject to potential examination by taxing authorities for income tax returns filed in the U.S. federal jurisdiction and the State of California.

NOTE 3 - INVESTMENTS

The Organization reports investments at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs.

The basis for the carrying value of investments is from information provided by a broker managed account. Fair value measurements of investment instruments are based on open actively traded securities markets as reported by investment account broker statements.

The three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3: Unobservable inputs that are supported by little to no market activity and that are significant to the fair value of the assets or liabilities.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. In certain cases, where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

The Organization invests in equity, government securities and mutual funds with a financial institution.

The investments are recognized at fair value as of June 30, 2025 and 2024:

	2025	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
Equity securities	$ 634,492	$ 634,492	$ -	$ -
Government securities	50,312	50,312	-	-
Mutual funds	223,262	223,262	-	-
	$ 908,066	$ 908,066	$ -	$ -

	2024	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
Equity securities	$ 461,919	$ 461,919	$ -	$ -
Government securities	161,412	161,412	-	-
Mutual funds	193,134	193,134	-	-
	$ 816,465	$ 816,465	$ -	$ -

NOTE 4 - PROPERTY AND EQUIPMENT

As of June 30, 2025 and 2024, the value of the property and equipment and related accumulated depreciation is as follows:

	2025	2024
Equipment	$ 65,951	$ 65,951
Vehicles	51,210	51,210
Software	5,723	5,723
Leasehold improvements	22,142	22,142
Less: accumulated depreciation	(137,988)	(126,920)
	$ 7,038	$ 18,106

Depreciation expense for the years ended June 30, 2025 and 2024 was $11,068 and $16,152, respectively.

NOTE 5 - NONFINANCIAL CONTRIBUTIONS

The Organization benefited from the donated services of various volunteers, but their nonspecialized contributed time is not included in the accompanying financial statements since it does not meet GAAP recognition standards. During the years ended June 30, 2025 and 2024, approximately 9,593 and 11,039 hours with an estimated value of $333,740and $369,696 were contributed, respectively. These values were computed using an hourly rate of $34.79 and $33.49 for the years ended June 30, 2025 and 2024, respectively, based upon the average hourly earnings of volunteer time as determined by the Independence Sector.

During the years ended June 30, 2025 and 2024, the Organization recognized the following nonfinancial contributions within the statements of activities and changes in net assets:

	2025	2024
Gift cards	$ -	$ 8,000
Computer services	19,194	17,269
House labor	6,001	7,546
Program equipment	5,800	10,570
Program materials	13,079	13,081
Fundraising items	2,561	6,185
Professional services	-	7,927
Training	-	1,005
Volunteer appreciation gifts	449	700
Printing	45	-
	$ 47,129	$ 72,283

Gift cards, program equipment, program materials, fundraising items, and volunteer appreciation gifts

Contributed gift cards, program equipment, program materials, fundraising items, and volunteer appreciation gifts are valued at fair market value at the date of donation.

Computer services, house labor, professional services, training and printing

Contributed computer services, house labor, professional services, training and printing are valued at the fair market value of the services provided.

All nonfinancial contributions were utilized during the period and allocated to program, fundraising or administrative expenses based on usage. None of the contributions included donor-imposed restrictions.

NOTE 6 - NET ASSETS

Net assets with donor restrictions

Net assets with donor restrictions are required to be disbursed by explicit grant requirements. The net assets with donor restrictions held for the years ended June 30, 2025 and 2024 consisted of the following:

	2024	Additions	Releases	2025
Specified projects	$ 609	$ 129,000	$ (67,699)	$ 61,910
	$ 609	$ 129,000	$ (67,699)	$ 61,910

	2023	Additions	Releases	2024
Time restricted	$ 155,000	$ -	$ (155,000)	$ -
Specified project	15,000	20,000	(34,391)	609
	$ 170,000	$ 20,000	$ (189,391)	$ 609

Board designated

The Board designated a reserve fund for operations. The changes in this account for the years ended June 30, 2025 and 2024 are as follows:

	2024	Additions	Releases	2025
Reserve	$ 918,425	$ -	$ -	$ 918,425
	$ 918,425	$ -	$ -	$ 918,425

	2023	Additions	Releases	2024
Reserve	$ 960,425	$ -	$ (42,000)	$ 918,425
	$ 960,425	$ -	$ (42,000)	$ 918,425

NOTE 7 - LIQUIDITY AND AVAILABILITY

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures.

The Organization considers investment income and contributions without donor restrictions to be available to meet cash needs for general expenditures. General expenditure includes administrative and general expenses, program expenses, and fundraising expenses to be paid in the subsequent year.

The Organization manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that mission fulfillment will continue to be met, ensuring the sustainability of the Organization.

The following table reflects the Organization's financial assets for the years ended June 30, 2025 and 2024, reduced by an amount that is not available to meet general expenditures within one year of the statements of financial position date because of an internal board designation. The board designated fund is intended to fund operations not considered in the annual operating budget. In the event the need arises to utilize the board designated fund for liquidity purposes, the reserve could be drawn upon through board resolution.

	2025	2024
Cash and cash equivalents	$ 155,072	$ 220,604
Investments	908,066	816,465
Contributions and grants receivable	1,046,065	1,098,772
Less: board designated reserve fund	(918,425)	(918,425)
	$ 1,190,778	$ 1,217,416

NOTE 8 - FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates all expenses based on a time allocation of the employees per month. Facility related expenses are allocated based on estimated use of square footage.

NOTE 9 - RELATED PARTY

The Organization is an affiliate of Rebuilding Together. Within the Partnership Agreement, the Organization is required to contribute a percentage of its annual monetary income each year to the national organization as dues. The dues owed for the years ended June 30, 2025 and 2024 were $22,727 and $20,000, respectively. In addition, the Organization made payments in the years ended June 30, 2025 and 2024, totaling $57,132 and $52,256 for insurance, software annual fees and AmeriCorps program fees, respectively. The Organization received $192,500 and $78,500 in grants from the national organization for the years ended June 30, 2025 and 2024, respectively. As of June 30, 2025 and 2024 there was $44,500 and $87,400 in receivables, respectively.

NOTE 10 - CONCENTRATION OF RISK

Financial instruments that potentially subject the Organization to credit risk consist primarily of cash, investments, and receivables. The Organization maintains cash with commercial banks and brokerage firm. At times, cash balances with commercial banks may be in excess of the Federal Deposit Insurance Corporation (FDIC) limit of $250,000. At June 30, 2025 and 2024, there was $0 and $50,555, respectively, exceeding the FDIC limit.

The estimated fair value of investments in the brokerage account is protected by the Security Investor Protection Corporation (SIPC) up to a maximum of $500,000, which includes up to $250,000 protection for cash. As of June 30, 2025 and 2024, investments exceeded insured limits.

The credit risk associated with receivables is mitigated by the fact that the receivables are due from local donors and governmental agencies.

For the years ended June 30, 2025 and 2024, there were two contributors that provided more than 10% of total revenue, excluding nonfinancial contributions. For the years ended June 30, 2025 and 2024, there were two contributors that made up more than 10% of outstanding receivables.

NOTE 11 - LEASE

The Organization leased building space at 1710 S. 7th Street. The term of the lease began February 1, 2014, and ended April 30, 2019, with an option to extend for an additional 60 months. At the end of the lease, it was extended to April 30, 2024. In February 2024, the Organization entered into another lease agreement for the same building space beginning May 2024 and ending April 2029. An interest rate of 4.64% was used to calculate the right-of-use asset.

Below is the carrying amount of the right-of-use asset and the movements during the period:

	Building
June 30, 2023	$ 86,421
Additions	422,781
Amortization	(99,031)
June 30, 2024	410,171
Amortization	(77,593)
June 30, 2025	$ 332,578

Below is the carrying amount of the lease liability and the movements during the period:

	2025	2024
July 1	$ 411,091	$ 91,651
Additions	-	422,781
Payments	(72,519)	(103,341)
June 30	338,572	411,091
Less: current portion	78,715	72,519
Non-current	$ 259,857	$ 338,572

The table below reconciles the fixed components of the undiscounted cash flows for each of the first five years and the total remaining years to the lease liabilities recorded on the statement of financial position for the year ended June 30, 2025. Amounts due for the year ended June 30 are as follows:

2026	$ 92,416
2027	95,190
2028	98,048
2029	83,740
Total lease payments	369,394
Less: interest	(30,822)
Present value of lease liability	$ 338,572

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Conditions contained within the various contracts awarded to the Organization are subject to the funding agencies' criteria and regulations under which expenditures may be charged and are subject to audit under such regulations and criteria. Occasionally, such audits may determine that costs incurred against the grants may not comply with the established criteria that govern them. The Organization's management does not anticipate any questioned costs for the contracts and grants administered during the period.

In 2025, the U.S. federal government proposed significant budget cuts aimed at reducing federal spending, resulting in uncertain economic conditions. These cuts primarily target mandatory spending programs that many not-for-profit organizations benefit from. The potential impacts of these budget cuts on the Organization include, but are not limited to, reduction in federal grants and contracts, increased demand for services, and operational adjustments. Management is actively monitoring the situation and evaluating potential strategies to address these uncertainties. However, the ultimate impact of the federal budget cuts on the Organization's financial position and operations cannot be fully determined at this time.

NOTE 14 - SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before the date the financial statements were available to be issued. The Organization recognizes in the financial statements, the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before financial statements are available to be issued.

Management evaluates events occurring subsequent to June 30, 2025 in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date of the independent auditors' report which is the date the financial statements were available to be issued.

No subsequent events require disclosure or recognition.

Supplementary Information

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Board of Directors
Rebuilding Together Silicon Valley
San Jose, California

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of Rebuilding Together Silicon Valley, a California nonprofit corporation, which comprise the statement of financial position as of June 30, 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 and have issued our report thereon dated December 2, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rebuilding Together Silicon Valley's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rebuilding Together Silicon Valley's internal control. Accordingly, we do not express an opinion on the effectiveness of Rebuilding Together Silicon Valley's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

BryMar

Cupertino, California
December 2, 2025

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

To the Board of Directors
Rebuilding Together Silicon Valley
San Jose, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rebuilding Together Silicon Valley's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Rebuilding Together Silicon Valley's major federal programs for the year ended June 30, 2025. Rebuilding Together Silicon Valley's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Rebuilding Together Silicon Valley complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Rebuilding Together Silicon Valley 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Rebuilding Together Silicon Valley's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Rebuilding Together Silicon Valley's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Rebuilding Together Silicon Valley's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Rebuilding Together Silicon Valley's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Rebuilding Together Silicon Valley's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Rebuilding Together Silicon Valley's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Rebuilding Together Silicon Valley's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BryMar

Cupertino, California
December 2, 2025

Rebuilding Together Silicon Valley
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	
U.S. Department of Housing and Urban Development				
CDBG Entitlement Grants Cluster				
Passed Through City of San Jose				
Community Development Block Grant	14.218	CDBG-23-004	$ 1,385,600	
Passed Through County of Santa Clara				
Community Development Block Grant	14.218	**	400,000	
Passed Through City of Cupertino				
Community Development Block Grant	14.218	**	96,238	
Passed Through City of Milpitas				
Community Development Block Grant	14.218	**	156,000	
Passed Through City of Gilroy				
Community Development Block Grant	14.218	**	179,942	
Passed Through City of Santa Clara				
Community Development Block Grant	14.218	B-24.MC-06-0022	183,611	
Total CDBG Entitlement Grants Cluster			2,401,391	*
Healthy Homes Production Program	14.913	Not applicable	64,447	
Total U.S. Department of Housing and Urban Development			2,465,838	
Total Expenditures of Federal Awards			$ 2,465,838	

*Tested as a major program
**Information not available

Note 1: Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2: Summary of Significant Accounting Policies

Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

Rebuilding Together Silicon Valley elected to use the 10% de minimus cost rate.

Rebuilding Together Silicon Valley
Summary of Auditors' Results

For the Year Ended June 30, 2025

Section 1 – Summary of Auditor's Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs	
• Material weaknesses identified?	No
• Significant deficiencies identified?	None reported
Types of auditors' report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a) ?	No

Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster	
14.218	CDBG Entitlement Grants Cluster	$ 2,401,391
Dollar threshold used to distinguish between type A and type B programs		$ 750,000
Auditee qualified as low-risk auditee?		No

Rebuilding Together Silicon Valley
Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2025

Section II – Financial Statement Findings

None reported.

Section III – Federal Awards Findings and Questioned Costs

None reported.

Section IV – Summary Schedule of Prior Audit Findings

None reported.