



Beyond Accounting

**Ticket to Dream Foundation  
A Nonprofit Organization**

**Financial Statements**

**March 31, 2024 and 2023**

To the Board of Directors  
Ticket to Dream Foundation  
Roseville, California

### ***Opinion***

We have audited the financial statements of Ticket to Dream Foundation (a nonprofit organization), which comprise the statements of financial position as of March 31, 2024 and 2023, 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 Ticket to Dream Foundation as of March 31, 2024 and 2023, and its functional expenses and 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). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of Ticket to Dream Foundation 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 Ticket to Dream Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

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

*BFBA, LLP*

Sacramento, California

October 14, 2024

**Ticket to Dream Foundation**  
**Statements of Financial Position**  
**March 31, 2024 and 2023**

**Assets**

	2024	2023
Current assets		
Cash and cash equivalents	\$ 1,016,599	2,483,377
Investments	2,057,184	1,615,723
Accounts receivable	469,822	738,425
Prepaid expenses	15,872	6,266
Inventory	742,238	75,480
Total current assets	4,301,715	4,919,271
Property and equipment, net	18,690	6,008
Operating lease right-of-use assets	84,617	35,814
Total assets	\$ 4,405,022	4,961,093

**Liabilities and Net Assets**

Current liabilities		
Accounts payable	\$ 35,531	42,807
Accrued liabilities	49,604	-
Deferred revenue	144,958	-
Operating lease liabilities, current portion	23,290	24,066
Total current liabilities	253,383	66,873
Operating lease liabilities, net of current portion	61,610	12,242
Total liabilities	314,993	79,115
Net assets		
Without donor restrictions	4,090,029	4,881,978
Total net assets	4,090,029	4,881,978
Total liabilities and net assets	\$ 4,405,022	4,961,093

**Ticket to Dream Foundation**  
**Statements of Activities and Changes in Net Assets**  
**For the Years Ended March 31, 2024 and 2023**

	2024	2023
Revenues and support		
Cash contributions	\$ 2,548,626	4,995,600
In-kind contributions	9,641,298	6,816,699
Events	57,580	668,060
Contributed services and advertising	1,177,388	22,414
Interest	109,475	42,440
Total revenues and support	13,534,367	12,545,213
Expenses		
Program services		
Essentials	11,830,858	9,530,548
Take Flight	959,602	1,586,114
Ally	421,026	746,156
Go Play!	408,539	503,872
Other	82,192	204,355
Total program services	13,702,217	12,571,045
Support services		
Administrative	475,460	367,683
Fundraising	148,639	151,441
Total support services	624,099	519,124
Total expenses	14,326,316	13,090,169
Decrease in net assets	(791,949)	(544,956)
Net assets, beginning of year	4,881,978	5,426,934
Net assets, end of year	\$ 4,090,029	4,881,978

**Ticket to Dream Foundation**  
**Statement of Functional Expenses**  
**For the Year Ended March 31, 2024**

	Program Services					Support Services		Total
	Essentials	Take Flight	Ally	Go Play!	Other	Administrative	Fundraising	
Cash distributions	\$ 889,989	378,250	420,000	241,300	19,150	-	-	1,948,689
In-kind distributions	9,267,102	533,198	-	155,783	-	-	-	9,956,083
Contributed advertising	1,163,556	-	-	-	-	-	-	1,163,556
Salaries, wages, payroll taxes, and benefits	247,128	36,540	1,026	11,290	61,118	228,471	137,993	723,566
Shipping	134,908	2,042	-	166	-	-	-	137,116
Rent	56,483	-	-	-	-	42,603	-	99,086
Insurance	-	-	-	-	-	47,265	-	47,265
Professional fees	-	-	-	-	-	28,819	-	28,819
Software	3,548	-	-	-	-	15,251	8,491	27,290
Events	19,720	-	-	-	1,924	787	61	22,492
Management fees	-	-	-	-	-	16,000	-	16,000
Marketing	385	-	-	-	-	14,445	-	14,830
Contributed services	13,832	-	-	-	-	-	-	13,832
Licenses and fees	-	-	-	-	-	11,824	-	11,824
Travel	19	-	-	-	-	7,236	372	7,627
Credit card processing fees	-	-	-	-	-	129	1,237	1,366
Miscellaneous	34,188	9,572	-	-	-	62,630	485	106,875
	<u>\$ 11,830,858</u>	<u>959,602</u>	<u>421,026</u>	<u>408,539</u>	<u>82,192</u>	<u>475,460</u>	<u>148,639</u>	<u>14,326,316</u>

**Ticket to Dream Foundation**  
**Statement of Functional Expenses**  
**For the Year Ended March 31, 2023**

	Program Services					Support Services		Total
	Essentials	Take Flight	Ally	Go Play!	Other	Administrative	Fundraising	
Cash distributions	\$ 1,726,818	544,605	730,000	361,300	-	-	-	3,362,723
In-kind distributions	7,436,274	943,182	16,156	131,808	63,000	-	-	8,590,420
Salaries, wages, payroll taxes, and benefits	204,961	79,999	-	10,666	41,217	148,493	136,286	621,622
Events	-	-	-	-	82,606	7,182	-	89,788
Rent	37,490	-	-	-	-	30,814	-	68,304
Insurance	-	-	-	-	-	40,749	8,030	48,779
Shipping	39,156	5,806	-	98	-	-	-	45,060
Management fees	-	-	-	-	-	38,400	-	38,400
Professional fees	-	-	-	-	-	24,500	-	24,500
Travel	10,476	1,915	-	-	2,486	7,970	34	22,881
Contributed services	14,014	-	-	-	8,400	-	-	22,414
Software	5	-	-	-	2,095	6,893	5,890	14,883
Marketing	500	-	-	-	13	12,972	-	13,485
Licenses and fees	-	-	-	-	30	5,507	-	5,537
Credit card processing fees	-	-	-	-	4,109	10	1,196	5,315
Miscellaneous	60,854	10,607	-	-	399	44,193	5	116,058
	<u>\$ 9,530,548</u>	<u>1,586,114</u>	<u>746,156</u>	<u>503,872</u>	<u>204,355</u>	<u>367,683</u>	<u>151,441</u>	<u>13,090,169</u>

**Ticket to Dream Foundation**  
**Statements of Cash Flows**  
**For the Years Ended March 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Decrease in net assets	\$ (791,949)	(544,956)
Reconciliation of decrease in net assets		
Non-cash inventory contributions	(665,337)	692,543
Depreciation	2,529	90
Non-cash rent	(211)	494
Changes in operating assets and liabilities		
Accounts receivable	268,603	17,656
Prepaid expenses	(9,606)	7,162
Inventory	(1,421)	-
Operating lease right-of-use assets	24,066	23,285
Accounts payable	(7,276)	21,121
Accrued liabilities	49,604	(7,055)
Deferred revenue	144,958	-
Operating lease liabilities	(24,066)	(23,285)
Net cash (used in) provided by operating activities	<u>(1,010,106)</u>	<u>187,055</u>
Cash flows from investing activities		
Purchases of property and equipment	(15,211)	(6,098)
Net change in investments	<u>(441,461)</u>	<u>(1,312,179)</u>
Cash used in investing activities	<u>(456,672)</u>	<u>(1,318,277)</u>
Net decrease in cash and cash equivalents	(1,466,778)	(1,131,222)
Cash and cash equivalents, beginning of year	<u>2,483,377</u>	<u>3,614,599</u>
Cash and cash equivalents, end of year	<u>\$ 1,016,599</u>	<u>2,483,377</u>
<u>Non-cash transactions:</u>		
New operating lease	\$ 72,658	-



**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 1: Summary of Significant Accounting Policies**

**Organization and Operations**

The Ticket to Dream Foundation (the Foundation) was organized in March 2008, as a nonprofit mutual benefit corporation under the laws of the State of California. The Foundation was created to make a positive impact on the lives of children in need. Through its various programs, the Foundation provides both physical products and cash contributions to nonprofit organizations throughout the United States to support charitable causes and nonprofits, with a particular emphasis on charities related to foster youth.

The principal programs of the Foundation comprise:

*Essentials* – The Essentials for Kids program collects, purchases, and distributes essential items like clothing, hygiene items, shoes, school supplies and more to meet the everyday needs of foster youth. Cash support also funds the local purchase of specific essential needs and/or provides shopping experiences for children to shop for themselves.

*Take Flight* – The Take Flight program provides cash support to boost the reach of programming focused on improving graduation rates, and for youth aging out of care reducing homelessness, and/or increasing employment opportunities. Laptops are also provided to school-aged foster children to meet these same goals.

*GoPlay!* – The GoPlay! program provides cash support to fund extracurricular sports, clubs and camps and the equipment needed to participate. Admission tickets to fun events like the fair, concerts, sporting events, shows and more are also provided to foster youth to create childhood fun.

*Ally* – The Ally program provides targeted cash support and essentials to fill the unmet needs facing Black, Hispanic and LGBTQ+ youth, while also helping recruit more foster/kinship parents, mentors and adoptive parents from these populations.

**Basis of Accounting and Presentation**

The financial statements of the Foundation have been prepared on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. Under ASC Topic 958, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. As of March 31, 2024 and 2023, there were no net assets with donor restrictions.

**Cash and Cash Equivalents**

Cash and cash equivalents are considered to be all highly liquid investments with original maturities of three months or less, including money market mutual funds. Cash equivalents are stated at cost because that approximates market value.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Investments**

Investments consists of two Certificates of Deposit (CD), which earn interest of 5.00% and 5.25% per annum and mature in March 2025 and February 2025, respectively.

**Accounts Receivable and the Allowance for Doubtful Accounts**

Management considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was recorded as of March 31, 2024 and 2023. Balances that are still outstanding after management has used reasonable collection efforts are charged to operations when that determination is made.

**Inventory**

Inventory consists of clothing, laptops, and accessories that were collected through in-kind contributions or purchased with cash donations and have yet to be distributed to foster youth. Inventory is valued as discussed in “In-Kind Contributions” below.

**Fair Market Value of Financial Instruments**

Fair value is a market-based measurement, rather than an entity-specific measurement. The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell an asset or transfer a liability would take place between market participants, under market conditions, as of a specific date.

For some assets and liabilities, observable market transaction or market information might be available, while such information may not be available for other assets and liabilities. FASB ASC 820-10, *Fair Value Measurements and Disclosures*, establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. FASB ASC 820-10 defines levels within the hierarchy based on the reliability of inputs as follows:

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Fair Market Value of Financial Instruments (Continued)**

When a price for an identical asset or liability is not observable, a reporting entity measures fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that a market participant would use when pricing the asset or liability, including assumptions about risk. As a result, a reporting entity's intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

Certain financial instruments, including cash and cash equivalents, investments, accounts receivable, prepaid expenses, inventory, and accounts payable, are carried at cost, which management believes approximates fair value based on the short-term nature of the instrument.

**Property and Equipment**

Property and equipment is stated at cost if purchased, or fair value if contributed, net of accumulated depreciation. The Foundation capitalizes all expenditures for property and equipment in excess of \$2,500. Depreciation is computed using the straight-line method over estimated useful lives of individual assets ranging from five to ten years. Normal repairs and maintenance are expensed as incurred whereas significant improvements, which materially increase values or extend useful lives, are capitalized and depreciated over the remaining useful lives of the related assets. Any gain or loss on the sale or retirement of property and equipment is recognized in current operations.

**Impairment of Long-Lived Assets**

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair market value of the assets. During the years ended March 31, 2024 and 2023, no impairment expense was recognized.

**Revenue Recognition**

Revenue is primarily derived from cash donations, in-kind contributions, contributed services and advertising, special events, and interest income. Revenue from exchange transactions is recognized in accordance with FASB ASC Topic 606, *Revenue from Contracts with Customers*, which provides a five-step model for recognizing revenue from contracts with customers.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Revenue Recognition (Continued)**

In accordance with FASB ASC Topic 606, the Foundation recognizes revenue from exchange transactions when it transfers promised products or services to customers in an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for those products or services. The consideration received is generally based on the stand-alone fee for the products or service provided.

Revenues from special events and corporate sponsorship of the events are recognized over the period in which the related event occurs. All funds collected in advance are recorded as deferred revenues until earned. Contributed advertising revenues are recognized over the period in which the related event occurs.

**In-Kind Contributions**

Throughout the year, new and gently used non-cash items, such as clothing, laptops, school supplies, and toys, are donated from business partners and private parties for foster youth. Fair market value of these in-kind donations is determined based on average retail value of the items whether they are new or used at the time they are received. In addition, in-kind contributions are received from the Foundation's business partners and supporters for golf tournament auctions. The value of the contributions is determined based on current retail value of the items at the time that they are received.

**Contributed Services and Advertising**

The Foundation's policy is to expense advertising costs as incurred. During the years ended March 31, 2024 and 2023, contributed advertising expenses were \$1,163,556 and \$0, respectively. During the years ended March 31, 2024 and 2023, contributed services were \$13,832 and \$22,414, respectively.

**Income Taxes**

The Foundation was organized as a California nonprofit organization and is exempt from income taxes in accordance with Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation has been classified as an organization other than a private foundation under IRC Section 509(a)(2) and qualifies for the charitable contribution deduction under Section 170(b)(1)(A). This allows for donations to the organization to be deductible as charitable contributions on the donors' income tax returns. However, income from certain activities not directly related to the organization's tax-exempt purpose is subject to taxation as unrelated business income. For the years ended March 31, 2024 and 2023, the Foundation did not have net unrelated business taxable income.

The Foundation's income tax returns are subject to audit by federal and California tax jurisdictions. There are no audits currently in progress. The Foundation is no longer subject to income tax audits for fiscal years before 2021 and 2020, for federal and California tax jurisdictions, respectively.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Financial Restrictions and Availability**

The Foundation is substantially supported by cash and in-kind contributions from private parties and various business partners. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Financial assets available within one year of the statement of financial position to meet cash needs for general expenditures as of March 31, 2024 and 2023, were as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,016,599	2,483,377
Investments	2,057,184	1,615,723
Accounts receivable	<u>469,822</u>	<u>738,425</u>
Total	\$ <u>3,543,605</u>	<u>4,837,525</u>

**Program and Support Function Cost Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Allocated expenses include salaries, wages, payroll taxes, benefits, and rent, which are allocated on the basis of estimates of time and effort.

**Concentrations of Credit Risk**

The Foundation maintains cash in demand deposit accounts with federally insured institutions. At times during the fiscal year, the balances in these accounts may exceed the federally insured limits. The Foundation has not experienced any losses on such accounts and believes they are not exposed to any significant credit risk on cash and cash equivalents.

**Management's Estimates**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Leases**

The Foundation leases office and warehouse space. The Foundation determines if an arrangement is a lease at the inception of the agreement. Operating leases are included in operating lease right-of-use assets (ROU) and operating lease liabilities on the statements of financial position. The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Leases (Continued)**

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Foundation's leases do not provide an implicit rate, the Foundation uses a discount rate based on the information available at commencement date in determining the present value of lease payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Foundation applies a portfolio approach to effectively account for the operating lease ROU assets and liabilities.

**Reclassification**

Certain prior year balances have been reclassified to conform to current year presentation.

**Subsequent Events**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through October 14, 2024, the date these financial statements were available to be issued. As of such date, other than matters discussed in Note 3, management was not aware of any subsequent events requiring additional disclosure.

**Note 2: Property and Equipment**

Major classifications of property and equipment as of March 31, 2024 and 2023, were as follows:

	<u>2024</u>	<u>2023</u>
Furniture and fixtures	\$ 12,545	3,389
Warehouse equipment	4,560	2,709
Computers and software	<u>4,204</u>	<u>-</u>
Total property and equipment	21,309	6,098
Less: Accumulated depreciation	<u>(2,619)</u>	<u>(90)</u>
Property and equipment, net	<u><u>\$ 18,690</u></u>	<u><u>6,008</u></u>

Depreciation expense for the years ended March 31, 2024 and 2023, was \$2,529 and \$90, respectively, which is included in the accompanying statement of activities and changes in net assets.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 3: Leases**

The Foundation maintains operating leases for office and warehouse space. As of March 31, 2024 the leases have remaining lease terms of six months. Subsequent to the year ended March 31, 2024, the Foundation extended an existing lease agreement. The Foundation recognized additional lease liabilities of \$72,658, which represents the present value of the remaining lease payments of \$78,020, discounted using a free risk rate of 4.62%, and corresponding ROU assets of \$72,658. For the Foundation's operating leases, the weighted average remaining lease term is two and a half years and the weighted average discount rate is 4.00%.

Future minimum payments under non-cancellable leases were as follows:

<u>For the year ending March 31,</u>	
2025	\$ 24,874
2026	25,621
2027	26,389
2028	<u>13,390</u>
Total future minimum lease payments	90,274
Less: Imputed interest	<u>(5,374)</u>
Total operating lease liabilities	84,900
Less: Operating lease liabilities, current portion	<u>(23,290)</u>
Operating lease liabilities, net of current portion	<u>\$ 61,610</u>

Rent expense under these operating leases for the years ended March 31, 2024 and 2023, was \$99,086 and \$68,304, respectively, which was included in the accompanying statement of activities and changes in net assets.

**Note 4: Retirement Plans**

The Foundation maintains a SIMPLE IRA covering all employees who have completed at least \$5,000 in compensation during any two preceding years, and who are expected to receive at least \$5,000 in compensation during the current year. Participants in the Foundation are 100% vested in the Foundation's contributions. The Foundation may match the employee's elective deferral contributions up to 3% of an employee's contributions. Contributions of \$11,947 and \$13,024 were made to the plan during the years ended March 31, 2024 and 2023, respectively, which were included in the accompanying statements of activities and changes in net assets.

During 2024, the Foundation established a 401(k) plan covering all employees who have completed at least three months of continuous service. The Foundation's safe harbor matching contributions immediately vest and are equal to 100% of employee's contribution up to 3% then 50% of employee's contribution for the next 2%. Foundation contributions of \$4,943 were made to the plan during the year ended March 31, 2024, which were included in the accompanying statements of activities and changes in net assets.

**Ticket to Dream Foundation**  
**Notes to the Financial Statements**  
**March 31, 2024 and 2023**

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**Note 5: Related Party Transactions**

Some officers and directors of the Foundation are also employees or officers of Bunker Wilson, LLC. As a result, Bunker Wilson, LLC is a related party to the Foundation.

Bunker Wilson, LLC provides limited administrative resources, primarily accounting services, to the Foundation through August 2023. The Foundation reimburses Bunker Wilson, LLC for the administrative resources and support which it provides and the related expense is recorded as management fees in the accompanying statements of activities. During the years ended March 31, 2024 and 2023, the Foundation recorded \$16,000 and \$38,400, respectively, in management fees from Bunker Wilson, LLC, which were included in the accompanying statements of activities and changes in net assets.

**Note 6: Functional Allocation of Expenses**

The Foundation allocates its expenses on a functional basis between its program and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural classification. Any expenses that are common to several functions are allocated among the programs and support services benefited. For the years ended March 31, 2024 and 2023, these expenses were approximately 96% and 96%, respectively, for program expense and 4% and 4%, respectively, for support services.

**Note 7: Contingencies**

The Foundation is subject to various claims that arise in the normal course of business. There are no filed or threatened claims against the Foundation as of March 31, 2024.