

# **National Domestic Workers Alliance, Inc.**

Financial Statements

December 31, 2023 (With Summarized  
Comparative Information as of and for  
the year ended December 31, 2022)

**National Domestic Workers Alliance, Inc.**

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**(With Summarized Comparative Information)**

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# Independent Auditors' Report

**To the Board of Directors  
National Domestic Workers Alliance, Inc.**

## **Opinion**

We have audited the accompanying financial statements of National Domestic Workers Alliance, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, 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 National Domestic Workers Alliance, Inc. as of December 31, 2023, and the changes in 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 National Domestic Workers Alliance, 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.

## **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 National Domestic Workers Alliance, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

#### **Report on Summarized Comparative Information**

We have previously audited National Domestic Workers Alliance, Inc.'s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 17, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

May 30, 2024

# National Domestic Workers Alliance, Inc.

## Statement of Financial Position

December 31, 2023

(With summarized comparative amounts as of December 31, 2022)

	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 10,461,598	\$ 17,333,314
Investments, other	1,550,958	1,527,169
Investments, at fair value	12,655,057	11,269,578
Contributions receivable, net	10,994,001	10,816,215
Due from affiliates	1,012,441	1,385,939
Prepaid expenses	77,238	127,272
Property and equipment, net	205,091	187,936
Operating lease right-of-use asset	425,554	699,224
Other assets	186,424	123,275
	<hr/>	<hr/>
Total assets	\$ 37,568,362	\$ 43,469,922
	<hr/>	<hr/>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 1,073,940	\$ 2,182,958
Grants payable	211,316	1,140,371
Operating lease liability	452,849	783,684
Total liabilities	1,738,105	4,107,013
	<hr/>	<hr/>
<b>Commitments</b>		
<b>Net Assets</b>		
Without donor restrictions	9,712,508	7,967,880
With donor restrictions	26,117,749	31,395,029
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Total net assets	35,830,257	39,362,909
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Total liabilities and net assets	\$ 37,568,362	\$ 43,469,922
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The accompanying notes are an integral part of these financial statements.

## National Domestic Workers Alliance, Inc.

### Statement of Activities

Year Ended December 31, 2023

(With summarized comparative amounts for the Year Ended December 31, 2022)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2023</u>	<u>Total 2022</u>
Revenue and other support				
Contributions	\$ 3,311,949	\$ 23,408,575	\$ 26,720,524	\$ 25,051,998
Program fees	242,134	-	242,134	98,405
Honoraria and other income	30,983	600	31,583	325,239
Investment income (loss), net	1,426,208	-	1,426,208	(1,618,641)
Net assets released from restrictions	28,686,455	(28,686,455)	-	-
	<u>33,697,729</u>	<u>(5,277,280)</u>	<u>28,420,449</u>	<u>23,857,001</u>
Total revenues and other support				
Expenses				
Program services	25,468,021	-	25,468,021	29,573,218
Management and general	5,476,052	-	5,476,052	2,992,687
Fundraising	1,009,028	-	1,009,028	933,613
	<u>31,953,101</u>	<u>-</u>	<u>31,953,101</u>	<u>33,499,518</u>
Total expenses				
Change in net assets	1,744,628	(5,277,280)	(3,532,652)	(9,642,517)
Net assets, beginning of year	<u>7,967,880</u>	<u>31,395,029</u>	<u>39,362,909</u>	<u>49,005,426</u>
Net assets, end of year	<u>\$ 9,712,508</u>	<u>\$ 26,117,749</u>	<u>\$ 35,830,257</u>	<u>\$ 39,362,909</u>

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

## National Domestic Workers Alliance, Inc.

### Statement of Functional Expenses

Year Ended December 31, 2023

(With summarized comparative amounts for the Year Ended December 31, 2022)

	Program Services			Management and General	Fundraising	2023 Total	2022 Summarized Total
	Other Programs	Caring Across Generations	Total Program Services				
Salaries	\$ 6,219,119	\$ 4,307,384	\$ 10,526,503	\$ 2,744,087	\$ 680,241	\$ 13,950,831	\$ 12,331,282
Payroll taxes and employee benefits	1,718,704	1,159,251	2,877,955	319,186	189,094	3,386,235	3,152,507
Total personnel costs	7,937,823	5,466,635	13,404,458	3,063,273	869,335	17,337,066	15,483,789
Consultants	1,773,641	3,336,804	5,110,445	429,662	42,926	5,583,033	6,553,779
Grants and subgrants	2,819,090	407,048	3,226,138	-	-	3,226,138	6,039,067
Travel	855,572	319,553	1,175,125	315,724	23,840	1,514,689	958,898
Software, technology and website	492,249	103,559	595,808	383,304	10,401	989,513	1,052,008
Office expenses	346,056	157,793	503,849	279,279	22,130	805,258	1,051,465
Meetings	277,396	312,536	589,932	128,763	7,953	726,648	681,946
Marketing and advertising	407,056	150,427	557,483	-	-	557,483	658,249
Occupancy	15,920	13,749	29,669	471,975	700	502,344	255,896
Administration fee	113,475	3,385	116,860	94,010	28,131	239,002	220,378
Professional fees	-	65,435	65,435	160,013	-	225,448	98,985
Staff development	28,205	26,795	55,000	114,985	3,612	173,597	229,523
Other	9,801	28,018	37,819	7,923	-	45,743	151,637
Depreciation	-	-	-	27,140	-	27,140	63,898
Total	<u>\$ 15,076,284</u>	<u>\$ 10,391,737</u>	<u>\$ 25,468,021</u>	<u>\$ 5,476,052</u>	<u>\$ 1,009,028</u>	<u>\$ 31,953,101</u>	<u>\$ 33,499,518</u>

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

# National Domestic Workers Alliance, Inc.

## Statement of Cash Flows

Year Ended December 31, 2023

(With summarized comparative amounts for the Year Ended December 31, 2022)

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ (3,532,652)	\$ (9,642,517)
Adjustment to reconcile changes in net assets to net cash used in operating activities:		
Amortization of discount on contributions receivable	551,198	69,869
Reduction (Addition) of carrying value of lease assets	273,670	(699,224)
Depreciation	27,140	63,698
Unrealized (gain) loss on investments	(441,775)	624,631
Realized (gain) loss on sale of investments	(918,428)	1,024,053
Increase (decrease) in cash and cash equivalents attributable to changes in operating assets and liabilities:		
Contributions receivable, net	(728,984)	1,402,703
Prepaid expenses	50,034	168
Other assets	(63,149)	(12,462)
Accounts payable and accrued expenses	(1,109,018)	(145,824)
Grants payable	(929,055)	1,040,371
Change in operating lease liability	(330,835)	783,684
Net cash used in operating activities	<u>(7,151,854)</u>	<u>(5,490,850)</u>
Cash flows from investing activities		
Due from affiliates	373,498	(441,768)
Purchase of marketable securities	(13,898,812)	(15,523,748)
Proceeds from the sale of marketable securities	13,849,747	15,504,949
Purchase of property and equipment	(44,295)	(2,338)
Net cash provided by (used in) investing activities	<u>280,138</u>	<u>(462,905)</u>
Net decrease in cash and cash equivalents	(6,871,716)	(5,953,755)
Cash and cash equivalents		
Beginning of year	<u>17,333,314</u>	<u>23,287,069</u>
End of year	<u>\$ 10,461,598</u>	<u>\$ 17,333,314</u>
Supplementary disclosures of non-cash flow information:		
Operating lease right of use assets and lease liabilities	<u>\$ 56,172</u>	<u>\$ -</u>
Adoption of ASC 842:		
Operating lease right of use assets	<u>\$ -</u>	<u>\$ 869,550</u>
Operating lease liabilities	<u>\$ -</u>	<u>\$ 1,056,472</u>

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



# National Domestic Workers Alliance, Inc.

## Notes to Financial Statements Year Ended December 31, 2023 (With Summarized Comparative Information as of and for the year ended December 31, 2022)

### 1. Nature of Organization

#### Business Description

The National Domestic Workers Alliance, Inc. (“NDWA” or the “Organization”) was formed in 2007 at the US Social Forum, and currently represents 60+ affiliates, chapters, and individual workers across the country. NDWA has rapidly emerged as the leading voice for respect, recognition and rights for domestic workers in the United States. Through a variety of organizing, advocacy and base-building strategies, NDWA is winning improved working conditions while building a powerful movement of domestic workers, immigrants, families and supporters rooted in human rights and dignity. NDWA’s programs include capacity building with its affiliates; statewide policy campaigns to establish labor standards and enforce existing rights; national campaigns to reform immigration policy and transform the home care industry; national and international movement and alliance-building; workforce development and social innovations; and training and research.

The Internal Revenue Service has determined that NDWA is exempt from Federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code and is classified as a publicly-supported organization as described in Section 170(b)(1) of the Internal Revenue Code.

The organization is funded primarily by contributions.

### 2. Summary of Significant Accounting Policies

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### Cash and Cash Equivalents

NDWA considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

As of December 31, 2023 the Company maintains its cash balances with two major financial institutions. Amounts at the financial institution are insured by the Federal Deposit Insurance Corporation. Balances may exceed insured limits from time to time. As of December 31, 2023, the uninsured balance totaled approximately \$9,961,150.

#### Investments

Investments are reported at their fair values in the statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Unrealized gains and losses are included in the statements of activities. Investment expenses and fees are recorded against the investment returns.

#### Fair Value of Financial Instruments

NDWA follows the accounting standards for fair value measurement and disclosures for financial assets and liabilities which clarify the definition of fair value, prescribe methods for measuring fair value, establish a fair value hierarchy based on the inputs used to measure fair value and expand disclosure about the use

## National Domestic Workers Alliance, Inc.

of fair value measurements. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value.

### **Level 1 Fair Value Measurements:**

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

### **Level 2 Fair Value Measurements:**

Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full-term of the financial instrument.

### **Level 3 Fair Value Measurements:**

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

### **Investment – Other**

Investment – other include certificates of deposit held for investment which have original maturity dates greater than three months and are reported as cost plus accrued interest.

### **Property and Equipment**

Property and equipment are stated at cost. Depreciation of furniture and fixtures and software is recorded using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized using the straight-line method over the term of the lease, or useful life, if shorter. Maintenance and repair expenditures are charged to operations as incurred.

### **Long-Lived Asset Impairment**

Property and equipment are reviewed for impairment if the use of the asset significantly changes, or another indicator of possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value. There were no asset impairment for the years ended December 31, 2023 and 2022.

### **Contributions**

NDWA reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, the net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

### **Contributions Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows discounted to fair value using an appropriate interest rate applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give, if any, are not included as support until the conditions are substantially met and are reflected as deferred revenue in the accompanying statement of financial position. There were no conditional promises reflected as deferred revenue at December 31, 2023 or 2022.

### **Major Contributors**

Two donors accounted for 24% and 24% of total revenue for the year ended December 31, 2023 and 2022, respectively. Three donors accounted for 49% and 37% of contributions receivable as of December 31, 2023 and 2022, respectively.

### **Grants Payable**

Grants awarded are recorded in the period the grant is approved by the board of directors.

## National Domestic Workers Alliance, Inc.

### Net Assets

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

#### Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the "Board") and/or management for general operating purposes. The Board may designate a portion of these net assets for a specific purpose which makes them unavailable for use at management's discretion.

#### With Donor Restrictions

Net assets with donor restrictions consist of assets where use is limited by the donor-imposed time and or purpose restrictions. When a donor restriction expires, that is, when a time restriction ends, or purpose restriction is accomplished, the net assets are reclassified to the category of net assets without donor restrictions and reported in the statement of activities and change in net assets, as net assets released from restrictions.

At December 31, 2023 and 2022, there were no net assets with Board designations.

### Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. A portion of Management and General costs that benefit multiple functional areas (indirect costs) have been allocated across Programs and Other Supporting Services based on reasonable ratios determined by management based upon utilization of staff time or use of resources.

### Prior Year Summarized Financial Information

The financial statements are presented with certain prior year summarized comparative information in total but not net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (GAAP). Accordingly, such information should be read in conjunction with NDWA's financial statements for the year ended December 31, 2022 from which the summarized financial information was derived.

### Leases

NDWA is accounting for its leases in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 842, Leases ("ASC 842") Per ASC 842 the lease contract gives rise to the recognition of a lease liability in the lessee's balance sheet, representing the present value of lease payments including fixed rental payments. The lease liability is recognized against a right-of-use asset corresponding to the leased item. NDWA defines the lease term as the noncancellable term of the lease plus any renewals covered by renewal options that are reasonably certain of exercise based on management's assessment of the economic factors relevant to the lessee. As the implicit rate in the Organization's leases is unknown, NDWA uses the practical expedient available to use the risk-free rate at the lease inception date in determining the present value of future lease payments.

## National Domestic Workers Alliance, Inc.

### 3. Contributions Receivable

Contributions receivable include unconditional promises to give as follows:

	2023	2022
Receivable in less than one year	\$ 9,226,490	\$ 8,995,913
Receivable in one to five years	2,498,407	2,000,000
	<u>11,724,897</u>	<u>10,995,913</u>
Less: discount to present value	<u>(730,896)</u>	<u>(179,698)</u>
	<u>\$ 10,994,001</u>	<u>\$ 10,816,215</u>

Contributions receivable have been discounted over the payment period using discount rates ranging from 0.65%–5.15%.

### 4. Investments

Investments consists of the following at December 31, 2023:

	Total	Fair Value Measurement Using		
		Quoted Prices Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks	\$ 1,287,547	\$ 1,287,547	\$ -	\$ -
Coporate bonds	320,559	-	320,559	-
Mutual funds	9,865,346	9,865,346	-	-
Exchange traded funds	519,672	519,672	-	-
Money market funds	634,516	634,516	-	-
Real estate investment trusts	27,417	27,417	-	-
	<u>\$ 12,655,057</u>	<u>\$ 12,334,498</u>	<u>\$ 320,559</u>	<u>\$ -</u>

Investments consists of the following at December 31, 2022:

	Total	Fair Value Measurement Using		
		Quoted Prices Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks	\$ 1,691,663	\$ 1,691,663	\$ -	\$ -
Coporate bonds	447,729	-	447,729	-
Mutual funds	1,598,738	1,598,738	-	-
Exchange traded funds	4,564,740	4,564,740	-	-
Money Market funds	2,944,610	2,944,610	-	-
Real estate investment trusts	22,099	22,099	-	-
	<u>\$ 11,269,578</u>	<u>\$ 10,821,849</u>	<u>\$ 447,729</u>	<u>\$ -</u>

Investments fair value and cost at December 31, 2023 and 2022 are as follows:

## National Domestic Workers Alliance, Inc.

	2023		2022	
	Cost	Fair Value	Cost	Fair Value
Common stocks	\$ 1,004,645	\$ 1,287,547	\$ 1,739,262	\$ 1,691,663
Corporate bonds	332,460	320,559	472,728	447,729
Mutual funds	9,401,277	9,865,346	1,706,138	1,598,738
Exchange traded funds	518,021	519,672	4,563,031	4,564,740
Money Market funds	634,515	634,516	2,944,607	2,944,610
Other	25,704	27,417	23,804	22,099
Total investment	<u>\$ 11,916,622</u>	<u>\$ 12,655,057</u>	<u>\$ 11,449,570</u>	<u>\$ 11,269,578</u>

Investment income (loss) for the years ended December 31, 2023 and 2022 is comprised of the following:

	2023	2022
Interest and dividends	\$ 136,818	\$ 91,606
Realized gain (loss)	918,428	(1,024,053)
Unrealized gain (loss)	441,775	(624,631)
Less: Investment fees	<u>(70,813)</u>	<u>(61,563)</u>
Investment income (loss)	<u>\$ 1,426,208</u>	<u>\$ (1,618,641)</u>

### 5. Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation, as follows:

	Estimated Useful Life	2023	2022
Leashold improvements	term of lease	\$ 51,055	\$ 6,760
Software	5 years	52,900	52,900
Furniture and fixtures	5 years	238,353	238,353
		<u>342,308</u>	<u>298,013</u>
Less: accumulated depreciation		<u>(137,217)</u>	<u>(110,077)</u>
		<u>\$ 205,091</u>	<u>\$ 187,936</u>

### 6. Liquidity and Availability

## National Domestic Workers Alliance, Inc.

NDWA's financial assets available within one year of the statement of financial position date for general expenditures is as follows:

December 31,	2023
Cash and cash equivalents	\$ 10,461,598
Contribution receivables, net	10,994,001
Investments	12,655,057
Investments - Other	1,550,958
Due from affiliates	1,012,441
Financial assets available	<u>36,674,055</u>
Less:	
Amounts unavailable for general expenditures within one year, due to:	
Receivables restricted by donors with respect to purpose	16,160,176
Receivables restricted by donors with respect to time	2,498,407
Net assets restricted by donors	<u>18,658,583</u>
Total amounts available for general expenditures within one year	<u>\$ 18,015,472</u>

NDWA maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The investments can easily be liquidated when such funds are needed for grants and other obligations.

### 7. Related Party Transactions

NDWA receives grants, distributes grants, works with certain organizations and collaborates on certain projects with several related not-for-profit entities as follows:

In accordance with NDWA's mission regarding membership, an aggregate of \$2,369,090 and \$2,735,000 in 2023 and 2022, respectively, was granted to affiliate organizations. NDWA has 42 affiliate organizations around the country. These affiliates are independent organizations organizing and building the power of domestic workers, and they also provide services and support for domestic workers in cities across the country. The NDWA board consists of individuals who also serve on boards of NDWA's affiliates.

Care in Action, Inc. (formerly Domestic Worker Legacy Fund, Inc.) was formed to fight for dignity and fairness for the millions of domestic workers in the United States by engaging in lobbying activities and organizing and advocating for respect, recognition, and inclusion in labor protections. An officer of NDWA serves on the board of directors of Care in Action, Inc. however, NDWA does not have an economic or voting control over Care in Action, Inc..

Care in Action, Inc. is the parent and sole member of Fair Care Labs, LLC ("Fair Care Labs"). Fair Care Labs is the innovation and product development arm of NDWA and seeks to shape the future of the care industry and emerging care markets. Profits from Fair Care Labs will be used by Care in Action, Inc. to fund its mission.

In 2021, NDWA entered into an agreement with NDWA Gig Workers Advocates, ("GWA") a Delaware nonprofit corporation that is organized and operated for social welfare purposes within the meaning of Internal Revenue Code ("Code") Section 501(c)(4). NDWA provides certain staff services to GWA in exchange for market rate compensation, but does not have economic or voting control over GWA

NDWA personnel provided services to Care in Action, Inc. For the years ended December 31, 2023, and 2022, NDWA charged Care in Action approximately \$2,988,502 and \$2,765,629 for these services and

## National Domestic Workers Alliance, Inc.

other shared costs for facilities, goods and services, respectively. These costs are accounted for as a reduction to personnel costs of NDWA.

NDWA personnel provided services to Fair Care Labs. For the years ended December 31, 2023 and 2022, NDWA charged Care in Action approximately \$463,453 and \$1,770,305 for these services and other shared costs for facilities, grants, goods and services, respectively. These costs are accounted for as a reduction to personnel costs of NDWA.

NDWA personnel provided services to GWA. For the years ended December 31, 2023 and 2022, NDWA charged GWA approximately \$0 and \$0 for these services and other shared costs for facilities, goods and services, respectively.

Due from affiliates includes the following amounts as of December 31, 2023, and 2022:

	2023	2022
Due from Care in Action, Inc	\$ 1,101,815	\$ 1,081,531
Due (to) from Fair Care Labs, LLC	(83,716)	304,408
Due (to) from NDWA CAG	(5,658)	-
Due from Affiliates	<u>\$ 1,012,441</u>	<u>\$ 1,385,939</u>

Grants payable includes a payable of \$170,000 and \$1,090,000 to Fair Care Labs at December 31, 2023 and 2022, respectively.

### 8. Lease Commitments

NDWA leases office space under various non-cancellable operating leases which expire at various dates through 2027. As disclosed in Note 2, NDWA adopted ASC 842 on January 1, 2022 using the modified retrospective transition method.

Accordingly, operating lease right of use assets and lease liabilities were recognized at January 1, 2022 based on the present value of minimum lease payments over the remaining lease term. The minimum lease payments include base rent payments. As the implicit rate in the Organization's leases is unknown, NDWA uses the practical expedient available to use the risk-free rate at the adoption date in determining the present value of future lease payments. Operating lease expense is recognized on a straight-line basis over the lease term.

Occupancy expense amounted to approximately \$502,000 and \$397,000 for the years ended December 31, 2023 and 2022, respectively.

NDWA entered into a lease agreement for an office space in New York City effective on February 14, 2024. The lease term is 64.5 months ending June 30, 2029, with monthly payment approximately ranging from \$14,000 to \$16,000.

Supplemental information as December 31	2023	2022
Weighted average remaining lease term	4.04	3.24
Weighted average discount rate	1.51%	1.01%

## National Domestic Workers Alliance, Inc.

The maturities of lease liabilities as of December 31 are as follows:

2024	\$ 170,870
2025	122,160
2026	100,974
2027	73,275
Thereafter	-
Total lease payments	<u>467,279</u>
Less: present value discount	(14,430)
Operating of lease liabilities	<u>\$ 452,849</u>

### 9. With Donor Restrictions Net Assets

With donor restrictions net assets at December 31, 2023 and 2022 are available for the following purposes or periods:

	<u>2023</u>	<u>2022</u>
Caring Across Generations	\$ 4,423,328	\$ 6,936,994
Equality Can't Wait	3,041,794	3,928,409
Field	514,182	1,000,000
Affiliate Capacity	500,000	1,100,000
Chapters	860,824	1,460,666
Families Belong Together	-	77,278
WeDib	705,040	880,000
Civic Engagement	500,000	-
Other	1,598,758	666,816
Policy	183,333	-
Research and Innovation	3,832,917	-
Time restricted	9,957,573	15,344,866
	<u>\$ 26,117,749</u>	<u>\$ 31,395,029</u>

### 10. Employee Benefit Plan

NDWA offers employees the opportunity to participate in a 401(k) retirement plan. NDWA may contribute to an employee's retirement plan at management's discretion. Employer contributions are made annually and are offered only to employees who have worked 1,000 hours in a calendar year and who are employed on December 31 of that calendar year. Employees may make voluntary contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. Employees are 100% vested upon joining the retirement program.

For the years ended December 31, 2023 and 2022, NDWA made matching contributions of approximately \$465,000 and \$302,000, respectively.

### 11. Subsequent Events

NDWA has evaluated subsequent events through **May 30, 2024**, the date the financial statements were available to be issued.