Any Baby Can of Austin, Inc.

Financial and Compliance Report
August 31, 2024

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Assurance • Tax • Advisory

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Independent Auditor's Report

To the Board of Directors of
Any Baby Can of Austin, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Any Baby Can of Austin, Inc. (the Organization), which comprise the statements of financial position as of August 31, 2024 and 2023, and the related statements of activities 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 the Organization as of August 31, 2024 and 2023, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended August 31, 2024, the Organization implemented Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842 – Leases, which resulted in recording right-of-use assets and lease liabilities on the statement of financial position as of August 31, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 auditor's 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Organization's basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis 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) and the *State of Texas Grant Management Standards* (TXGMS) and is not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 and state awards is fairly stated, in all material respects, in relation to the basic 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 May 16, 2025 on our consideration of the Organization'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 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 the Organization's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
May 16, 2025

Any Baby Can of Austin, Inc.

Statements of Financial Position
August 31, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 2,701,934	$ 3,284,942
Investments, at fair value	592,642	509,948
Accounts receivable		
Grants and contracts	1,673,660	1,438,351
Medical billings	113,255	183,914
Other	9,913	2,442
Prepaid expenses and other	107,614	88,217
Beneficial interest in assets held by others	403,820	352,209
Right-of-use asset, net	52,986	-
Property and equipment, net	2,672,925	2,730,575
TOTAL ASSETS	$ 8,328,749	$ 8,590,598
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 220,577	$ 325,620
Accrued expenses	576,751	950,815
Deferred revenue	20,000	17,716
Current portion of lease liability	14,951	-
Total current liabilities	832,279	1,294,151
NONCURRENT LIABILITIES		
Lease liability, net of current portion	38,036	-
Total noncurrent liabilities	38,036	-
Total liabilities	870,315	1,294,151
NET ASSETS		
Without donor restrictions	6,237,283	5,776,273
With donor restrictions	1,221,151	1,520,174
Total net assets	7,458,434	7,296,447
TOTAL LIABILITIES AND NET ASSETS	$ 8,328,749	$ 8,590,598

The Notes to Financial Statements
are an integral part of these statements.

Any Baby Can of Austin, Inc.

Statement of Activities

Year Ended August 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Donations	$ 473,755	$ 126,175	$ 599,930
Foundation contributions	1,301,353	550,500	1,851,853
In-kind contributions	61,550	-	61,550
Special events, net of donor direct benefit expense of $49,599	329,872	-	329,872
Government grants	9,786,909	-	9,786,909
Medical billing	1,954,269	-	1,954,269
Investment income	238,848	44,055	282,903
Miscellaneous income	123,786	1,695	125,481
Net assets released from restrictions	1,021,448	(1,021,448)	-
Total support and revenue	15,291,790	(299,023)	14,992,767
EXPENSES			
Program services	13,788,229	-	13,788,229
Management and general	232,716	-	232,716
Fundraising	809,835	-	809,835
Total expenses	14,830,780	-	14,830,780
Change in net assets	461,010	(299,023)	161,987
NET ASSETS, beginning of year	5,776,273	1,520,174	7,296,447
NET ASSETS, end of year	$ 6,237,283	$ 1,221,151	$ 7,458,434

The Notes to Financial Statements
are an integral part of this statement.

Any Baby Can of Austin, Inc.

Statement of Activities

Year Ended August 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Donations	$ 422,240	$ 135,324	$ 557,564
Foundation contributions	333,700	1,566,846	1,900,546
In-kind contributions	77,364	-	77,364
Special events, net of donor direct benefit expense of $37,221	244,975	100,020	344,995
Government grants	9,024,470	10,000	9,034,470
Medical billing	2,315,911	-	2,315,911
Investment income	95,734	19,574	115,308
Miscellaneous income	2,846	6,000	8,846
Net assets released from restrictions	2,314,415	(2,314,415)	-
Total support and revenue	14,831,655	(476,651)	14,355,004
EXPENSES			
Program services	13,953,455	-	13,953,455
Management and general	176,334	-	176,334
Fundraising	828,008	-	828,008
Total expenses	14,957,797	-	14,957,797
Change in net assets	(126,142)	(476,651)	(602,793)
NET ASSETS, beginning of year	5,902,415	1,996,825	7,899,240
NET ASSETS, end of year	$ 5,776,273	$ 1,520,174	$ 7,296,447

The Notes to Financial Statements
are an integral part of this statement.

Any Baby Can of Austin, Inc.

Statements of Cash Flows

Years Ended August 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 161,987	$ (602,793)
Adjustments to reconcile change in net assets to net cash provided by (used in) operations		
Depreciation	119,170	118,163
Amortization of right-of-use asset	8,671	-
Net (gain) loss in value of beneficial interest	(51,611)	(20,757)
Net (gain) loss in value of investments	(82,694)	(42,093)
Net (gain) loss on disposal of assets	67,959	-
Change in operating assets and liabilities		
Grants and contracts receivable	(235,309)	808,750
Medical billings	70,659	22,561
Other receivables	(7,471)	7,459
Prepaid expenses and other	(19,397)	(7,835)
Accounts payable	(105,043)	(121,618)
Accrued expenses	(374,064)	136,161
Deferred revenue	2,284	(601,880)
Lease liability	(8,670)	-
Net cash provided by (used in) operating activities	(453,529)	(303,882)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(129,479)	(22,898)
Net cash used in investing activities	(129,479)	(22,898)
Net change in cash and cash equivalents	(583,008)	(326,780)
CASH AND CASH EQUIVALENTS, beginning of year	3,284,942	3,611,722
CASH AND CASH EQUIVALENTS, end of year	$ 2,701,934	$ 3,284,942
SUPPLEMENTAL DISCLOSURE OF NONCASH FLOW INFORMATION		
Acquisition of right-of-use asset from operating lease liabilities	$ 61,657	$ -

The Notes to Financial Statements
are an integral part of these statements.

Any Baby Can of Austin, Inc.

Notes to Financial Statements

Note 1. Organization

Organization

Any Baby Can of Austin, Inc. (Any Baby Can or the Organization) is a Central Texas nonprofit that partners with families to overcome obstacles and achieve well-being. With programs that meet clients where they are - at home, work, or school – Any Baby Can helps build stability, develop skills, and navigate systems, so children and families reach their full potential. While services vary from child development and case management to mental health and prenatal care, they're all focused on strengthening families.

In 1979, CEDEN (Center for Development, Education and Nutrition) Family Resource Center was founded to provide comprehensive services to families in need of prenatal, early childhood, and parenting education. In 1992, Any Baby Can of Austin, Inc. began serving the community after a Texas Department of State Health Services needs assessment determined that a significant population of children with special needs resided in the area. On April 1, 2000, CEDEN Family Resource Center and Any Baby Can of Austin, Inc. merged.

In 2003, the Candlelighters Childhood Cancer Foundation of the Austin Area became part of Any Baby Can, and in 2008 Children's Hearing Aid Texas, also merged into Any Baby Can, consolidating a variety of family services and making it easier for children and parents to get the support they need.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). For financial statement purposes, the Organization reports 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.

Net Asset Classifications

The Organization classifies its net assets into two categories as follows:

Net Assets With Donor Restrictions: Net assets subject to donor-imposed stipulations that they may be maintained permanently by the Organization or may be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time. When a restriction is satisfied, Net Assets with Donor Restrictions are reclassified to Net Assets without Donor Restrictions.

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed stipulations. Net Assets without Donor Restrictions may be used for any purpose or designated for specific purposes by action of the Board of Directors.

Financial Accounting Standards Board (FASB) issued FASB Accounting Standards Codification (ASC) Topic 958-205, which provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). ASC Topic 958-205 provides for disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

The state of Texas adopted UPMIFA effective September 2007. The Organization has determined that the majority of its net assets do not meet the definition of endowments under UPMIFA. While not UPMIFA-defined endowments, the Organization intends many of its funds to be permanent and manages them accordingly. Further references to "endowment", "endowment fund", or "endowed assets" in these notes relate to those intentions of the Organization.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents consist of cash held in bank deposit accounts and short-term, highly liquid investments with purchased maturities of 90 days or less.

Contributions, Grants, and Other Support

Contributions and grants received (including unconditional promises to give, Pledges) are recorded as revenue without donor restrictions or with donor restrictions in the period received depending on the existence and/or nature of any donor restrictions. Conditional contributions and grants are recognized as revenue when the conditions upon which they depend are substantially met. Promises to give are recognized as revenue only if sufficient evidence exists in the form of verifiable documentation that a promise was made and received, and any conditions to receive have been met.

For government grants in which the restriction is met in the same period that the revenue is recognized, the Organization has elected to recognize as a net asset without donor restrictions. All other revenue and support is reported as restricted if the support is received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions in the reporting period in which the support is recognized. Donated assets are recorded at their estimated fair values at the date of receipt.

Pledges and grants with maturity dates due within 12 months are recorded at net realizable value, while pledges with maturity dates in subsequent years are recorded at the present value of their net realizable value using an appropriate discount rate.

Medical Billing Revenue

Medical billing revenue is generated by billing clients' insurance providers for the services provided by the Organization through the Early Childhood Intervention (ECI) program, Medical Case Management programs, and No Estás Solo mental health counseling program. Revenue is received from Medicaid, private insurance, CHIP, Tricare, and also through billing clients' family cost share. Due to the uncertain nature of the amounts that will be reimbursed to the Organization after deductions, deductibles, etc., this revenue is recorded when payment is received, and any payments for services rendered in the current fiscal year received in September and October, subsequent to year-end, are accrued as current year revenue. Medical billing is considered an exchange revenue transaction and recorded as revenue without donor restrictions.

Allowance for Doubtful Accounts

Governmental grants included in receivables are individually analyzed for purposes of determining collectability at year-end, and an allowance was not deemed necessary at August 31, 2024 or 2023. The Organization evaluates the collectability of its pledges and adequacy of its allowance for doubtful accounts on a periodic basis. The evaluation includes historical loss experience, length of time the pledges are past due, and adverse situations that may affect the donor's ability to honor its pledge. The Organization records and adjusts its allowance for doubtful accounts as necessary.

Contributed Services and Assets

During the years ended August 31, 2024 and 2023, the value of contributed services meeting the requirements for recognition in the financial statements was not material and no amounts have been recorded. Although individuals volunteer their time and perform a variety of tasks that assist the Organization, these services do not meet the criteria for recognition as contributed services. Contributed assets are recorded at their estimated fair value on the date of donation. The Organization received in-kind contributions for the years ended August 31, 2024 and 2023 of $61,550 and $77,364, respectively.

The Organization reports contributions of land, buildings, and equipment as unrestricted, unless explicit donor stipulations specify how the donated assets must be used. Gifts of assets with explicit restrictions that specify how the assets are to be used are accounted for as restricted support. The Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Property and Equipment

Property and equipment purchased for or exceeding $5,000 are recorded at cost. Property and equipment are depreciated using the straight-line method over the useful lives of the assets as follows:

Buildings and improvements	5 - 37 years
Furniture and equipment	3 - 10 years
Vehicles	3 - 5 years

Investments

The Organization's investments in equity securities with readily determinable fair value and all debt securities are reported at their fair value. Unrealized gains and losses arising from changes in the fair value of investments are reported in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by donors for a specified purpose or future period.

The value of beneficial interests held by others is based on the value of the Organization's proportional share of the overall assets held by the trustee. Investment income and unrealized gains and losses from beneficial interests are reported as net assets with donor restrictions until appropriated for expenditure. Alternatively, distributions made from the trustee to the Organization are reported as increases to net assets without donor restrictions and are available for use in normal operations.

Leases

ASU 2016-02 (Topic 842), Leases, was adopted by the Organization, which is effective for fiscal years beginning after December 15, 2021, with earlier application permitted. The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from all leases. This represents an improvement over previous generally accepted accounting principles (GAAP), which did not require lease assets and lease liabilities to be recognized for most leases. Leases are classified as finance leases (called "capital leases" under the previous GAAP) or operating leases, both of which create a right-of-use asset and a liability that should appear on the lessee's balance sheet. Finance lease right-of-use assets will be amortized on a straight-line basis over the shorter of the useful life of the asset or the lease term. Operating lease right-of-use assets will be amortized on a straight-line basis over the lease term.

The Organization adopted the standard effective September 1, 2023 and recognized and measured leases existing at, or entered into after, September 1, 2023 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended August 31, 2023 are made under prior lease guidance in FASB ASC 840.

The Organization has elected the package of practical expedients to account for any existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under ASC Topic 842, (b) whether the classification of capital leases or operating leases would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition would have met the definition of initial direct costs in ASC Topic 842 at lease commencement.

Income Taxes

The Organization is exempt from federal income tax under the Internal Revenue Code Section 501(c)(3) for income related to its exempt purpose. The Organization is classified by the Internal Revenue Service as an organization other than a private foundation.

The Organization recognizes in its financial statements the financial effect of a tax position, if that position is more likely than not to be sustained upon examination, including resolution of any appeals or litigation processes, based upon the technical merits of the position. Tax positions taken related to the Organization's tax exempt status for federal tax purposes have been reviewed, and management is of the opinion that material positions taken by the Organization would more likely than not be sustained by examination. Accordingly, the Organization has not recorded an income tax liability for uncertain tax benefits.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount 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. Accordingly, actual results could differ from those estimates.

Functional Expenses

The expense information contained in the statements of activities reports certain categories of expenses that are attributable to program services or supporting functions of the Organization. The costs of providing program or other activities have been summarized on a functional basis in Note 13 of the financial statements. Accordingly, certain costs are allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Communication	FTE count
Professional fees and contracts	FTE count
Supplies and printing	FTE count
Equipment rental	FTE count
Occupancy	Square footage
Depreciation	Square footage

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts, which, at times, may exceed Federal Reserve limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation up to certain limits. The Organization has not experienced any losses in such accounts.

Long-Lived Assets

Long-lived assets held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate that their net book value may not be recoverable. When such factors and circumstances exist, the Organization compares the projected undiscounted future cash flows associated with the related asset or group of assets over their estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets and is recorded in the period in which the determination was made. No indicators of impairment existed at August 31, 2024 or 2023.

Recent Accounting Pronouncements

In September 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new standard increases transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The Organization evaluated the impact on the implementation of this ASC on the financial statements and related disclosure and elected not to implement as contributed nonfinancial assets are not material to the financial statements as a whole. Contributed services and assets are discussed above in Note 2.

Subsequent Events

The Organization evaluated events that occurred, for recognition and disclosure, after August 31, 2024 through May 16, 2025, the date these financial statements were available to be issued.

Note 3. Fair Value Measurements

The Organization has established a three-level valuation hierarchy for disclosure of fair value measurements, and expands disclosures about fair value measurements to include how fair value is determined for assets and liabilities. Fair value is defined as an exit price representing the amount that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants. An instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The significant levels of inputs are as follows:

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

Level 2 Inputs that include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

During 2009, the Organization transferred endowment funds totaling $157,306 to the Austin Community Foundation (ACF) to take advantage of ACF's investment expertise and to allow these funds to gain synergies with other funds held by ACF. ACF does not hold variance power over these endowed funds; therefore, the Organization can request distribution at any point in time. The Organization has classified these funds as permanently restricted and they are considered Level 2 investments. The amount available for distribution for each respective year is calculated as 8% of the fair market value of the fund as of January 31(the valuation date), to be distributed on a quarterly basis. Any return on investment in excess of distribution amount is to be added to the original gift and is recorded as an increase in donor restricted net assets as temporarily restricted until those amounts are appropriated for expenditure by the Organization. There were no distributions from these endowment funds for the year ended August 31, 2024 or 2023.

During 2022, the Organization opened a Charles Schwab One account and entered into an agreement with Austin Asset to manage the transferred funds totaling $500,000. The Organization has classified these funds as unrestricted, and they are considered a Level 1 investment. The amount available for distribution for each respective year is calculated as 5% of the average value in the 4 prior quarters in the first year, 8 prior quarters in the second year, 12 prior quarters in the third year, 16 prior quarters in the fourth year, and 20 prior quarters thereafter.

The table below summarizes the instruments recognized at fair value by level for the year ended August 31, 2024:

	2024			
	(Level 1)	(Level 2)	(Level 3)	Total
Mutual fund	$ 592,642	$ -	$ -	$ 592,642
Beneficial interest held by others	-	403,820	-	403,820
	$ 592,642	$ 403,820	$ -	$ 996,462

The table below summarizes the instruments recognized at fair value by level for the year ended August 31, 2023:

	2023			
	(Level 1)	(Level 2)	(Level 3)	Total
Mutual fund	$ 509,948	$ -	$ -	$ 509,948
Beneficial interest held by others	-	352,209	-	352,209
	$ 509,948	$ 352,209	$ -	$ 862,157

Note 4. Property and Equipment

Property and equipment as of August 31, 2024 and 2023 included:

	2024	2023
Land	$ 135,000	$ 135,000
Construction in progress	7,785	-
Buildings and improvements	3,353,887	3,321,201
Furniture and equipment	232,512	225,054
Vehicles	64,015	64,015
	3,793,199	3,745,270
Accumulated depreciation	(1,120,274)	(1,014,695)
Total property and equipment	$ 2,672,925	$ 2,730,575

Depreciation expense was $119,170 and $118,163 respectively for the years ended August 31, 2024 and 2023.

Note 5. Line of Credit

The Organization obtained a line of credit agreement with a financial institution with a $600,000 limit that matures on October 24, 2026 and bears interest at a variable interest rate, based upon the SOFR rate plus 3.155% beginning October 13, 2022, 4.412% beginning November 1, 2023, and 6.266% beginning October 24, 2024 and thereafter. No amounts were outstanding on the line of credit as of August 31, 2024 and 2023.

Note 6. Leases

The Organization leases certain office equipment under a long-term operating lease, which expires January 2028. The lease has an implicit rate of 3.0% and no option to renew at the end of the initial term.

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets, on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

None of the Organization's lease agreements contain contingent rental payments, material residual value guarantees or material restrictive covenants. The depreciable life of related leasehold improvements is based on the shorter of the useful life or the lease term. The Organization has no finance leases, no sublease agreements, and no lease agreements in which it is named as a lessor. The Organization performs interim reviews of its long-lived assets for impairment when evidence exists that the carrying value of an asset group, including a lease asset, may not be recoverable, and the Organization did not recognize an impairment expense associated with operating lease assets during 2024. The weighted average remaining lease term and discount rate was 3.47 years and 3.0%, respectively.

Reconciliation of the undiscounted cash flows to the operating lease liability as of August 31, 2024 is as follows:

	Office Equipment
Total future minimum lease payments	$ 55,815
Less: imputed interest	(2,828)
Total lease liability	$ 52,987

Future minimum rental payments under noncancellable operating leases as of August 31, 2024, consist of the following:

Year Ending August 31,	
2025	$ 16,336
2026	16,336
2027	16,336
2028	6,807
Total	$ 55,815

Prior Disclosures under ASC 840

The Organization incurred lease expenses of approximately $47,834 related to its operating leases during the year ended August 31, 2023. Future minimum lease payments under non-cancelable operating leases as of August 31, 2023 were as follows:

Year Ending August 31,	
2024	$ 21,656
2025	10,456
2026	9,573
2027	9,573
2028	9,573
Total	$ 60,831

Note 7. Net Assets with Donor Restrictions

Net Assets with Donor Restrictions consisted of the following at August 31, 2024 and 2023:

	2024	2023
Program use restrictions	$ 900,493	$ 1,240,493
Endowment restrictions	320,658	279,681
Total net assets with donor restrictions	$ 1,221,151	$ 1,520,174

Net assets released from Net Assets with Donor Restrictions due to the satisfaction of requirements consisted of the following at August 31, 2024 and 2023:

	2024	2023
Program use restrictions	$ 1,021,448	$ 2,314,415

Note 8. Endowments

The Organization has interpreted Texas UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classified as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with a standard of prudence prescribed by Texas UPMIFA. Both the permanent and temporary restricted net assets are classified as Net Assets with Donor Restrictions on the face of the financial statements.

In accordance with Texas UPMIFA, the Organization considers the following factors in making a determination on the amount, if any, to be available for distribution from each endowment fund:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

The Organization's endowments consist of two funds established for the benefit of children in the Austin community.

The Mary Sams Memorial Fund represents a gift of bonds given in perpetuity to the Organization that is classified as Net Assets with Donor Restrictions. This endowment requires the original endowment of $157,306 to remain in perpetuity. The remaining portion of this donor-restricted endowment fund that is not classified as permanently restricted is classified as temporarily restricted until those amounts are appropriated for expenditure by the Organization. As discussed in Note 3, during 2009 the Organization transferred these endowed funds to ACF.

The second endowment fund was established by the Organization using its own unrestricted funds and is held at ACF as well. These funds, and any gains/losses in these funds, are recorded under Net Assets without Donor Restrictions.

Both of these endowment funds are recorded at fair value on the Statements of Financial Position as Beneficial Interests in Assets Held by Others.

The summary of changes in endowment assets for the years ended August 31, 2024 and 2023 is as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Endowment assets as of August 31, 2022	$ 68,253	$ 263,199	$ 331,452
Investment earnings, net	4,275	16,482	20,757
Endowment assets as of August 31, 2023	72,528	279,681	352,209
Investment earnings, net	10,634	40,977	51,611
Endowment assets as of August 31, 2024	$ 83,162	$ 320,658	$ 403,820

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or Board of Directors requires the Organization to retain as a fund of perpetual duration. There were no funds with deficiencies as of August 31, 2024 and 2023.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that produce a yield that preserves the endowment's purchasing power by meeting the Organization's Spending Policy, expenses and inflation over a long-time horizon, while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Mary Sams Memorial Fund endowment requires the original endowment of $157,306 to remain in perpetuity, with 8% of the fair market value of the fund as of January 31 each year (the valuation date) to be available for distribution on a quarterly basis. Any return on investment in excess of distribution amount is to be added to the original gift and is recorded as an increase in donor restricted net assets as temporarily restricted until those amounts are appropriated for expenditure by the Organization. There were no distributions from this endowment for the years ended August 31, 2024 and 2023.

The second endowment fund that was established by the Organization using its own unrestricted funds had no distributions as well for the years ended August 31, 2024 and 2023. This fund was established to provide general support for the Organization and distributions of the spendable amount of the endowment fund are at the request of the Organization in agreeance with Austin Community Foundation's (ACF's) Endowment Fund policies.

Note 9. Retirement Plan

The Organization offers a 403(b)-retirement plan. All employees are eligible to participate on their first day of employment. The Organization will match 100% of an employee's contributions up to 3% of their salary deferral after an employee has been employed for one year. Any employee contributions made toward the retirement plan are 100% vested. Participating employees vest employer contributions at 25% per year of service, reaching 100% after four years. Employer retirement match expense for the years ended August 31, 2024 and 2023 was approximately $162,908 and $104,241 respectively.

Note 10. Commitments and Contingencies

Contracts with Grantors

The Organization is funded by contracts that are subject to review and audit by grantor agencies. These contracts have certain compliance requirements and if audits by the grantor agencies disclose any areas of substantial noncompliance, the Organization may be required to refund any disallowed costs. Management believes the Organization has complied with applicable requirements.

Contingencies

The Organization from time to time may be involved in contingencies relating to claims arising out of its ordinary course of business. Management believes that there are no claims or actions pending or threatened against the Organization, the ultimate disposition of which would have a material impact on the Organization's financial position, results of operations, or cash flows.

Note 11. Concentrations

During the years ended August 31, 2024 and 2023, the Organization received approximately 65% and 63%, respectively, of total revenue from grant contracts funded through federal, state, and local governments. It is reasonably possible that at some time these contracts could cease, or funding could be reduced, which would have a severe impact on the Organization. However, the Organization does not expect these contracts will be lost in the near future. The Organization also relies on private contributions to provide matches towards grants and also to provide supplemental funds for programs and other expenses not funded by federal, state, or local awards.

Note 12. Special Events

Special events revenue, net of expenses, for the years ended August 31, 2024 and 2023 consisted of the following:

	2024	2023
Big Hearts, Bright Futures	$ 94,170	$ 68,434
Harvest Classic	-	100,020
One Stellar Night	228,022	165,444
Other	7,680	11,097
Total	$ 329,872	$ 344,995

Note 13. Functional Classification of Expenses

Functional expenses for the year ended August 31, 2024 are as follows:

	Program Services	Management and General	Fundraising	Total 2024
Salaries, benefits and payroll taxes	$ 11,133,064	$ 120,714	$ 641,320	$ 11,895,098
Communication	111,778	376	2,767	114,921
Staff professional development	60,746	316	705	61,767
Travel	250,322	101	153	250,576
Professional fees and contracts	1,286,522	559	18,700	1,305,781
Supplies and materials	56,043	246	6,496	62,785
Agency memberships and site fees	61,986	892	86	62,964
Equipment rental and maintenance	23,292	326	1,127	24,745
Equipment and technology purchases	192,913	4,614	22,393	219,920
Occupancy	110,909	3,102	9,126	123,137
Client assistance and events	262,472	-	-	262,472
Fundraising and event expenses	-	-	10,840	10,840
Business expense	131,712	98,690	24,652	255,054
Depreciation expense	106,470	2,780	9,920	119,170
In-kind expense	-	-	61,550	61,550
Total expenses	$ 13,788,229	$ 232,716	$ 809,835	$14,830,780

Functional expenses for the year ended August 31, 2023 are as follows:

	Program Services	Management and General	Fundraising	Total 2023
Salaries, benefits and payroll taxes	$ 11,274,564	$ 116,686	$ 653,957	$ 12,045,207
Communication	115,321	2,045	3,612	120,978
Staff professional development	87,262	500	673	88,435
Travel	199,242	127	114	199,483
Professional fees and contracts	1,328,081	530	20,623	1,349,234
Supplies and materials	58,366	1,904	6,213	66,483
Agency memberships and site fees	76,598	1,546	113	78,257
Equipment rental and maintenance	32,863	1,344	1,581	35,788
Equipment and technology purchases	180,442	6,609	12,853	199,904
Occupancy	114,783	2,835	9,557	127,175
Client assistance and events	263,824	-	-	263,824
Fundraising and event expenses	-	-	8,507	8,507
Business expense	117,287	38,764	22,944	178,995
Depreciation expense	104,822	3,444	9,897	118,163
In-kind expense	-	-	77,364	77,364
Total expenses	$ 13,953,455	$ 176,334	$ 828,008	$ 14,957,797

Note 14. Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash, cash equivalents and line of credit. See Note 5 for information about the Organization's line of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities and the conduct of services undertaken to support those activities to be general expenditures.

The Organization anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources or its financial assets. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash.

As of August 31, 2024, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

Cash and cash equivalents	$	2,701,934
Investments, at fair value		592,642
Accounts receivable		
Grants and contracts		1,673,660
Medical billings		113,255
Other		9,913
Beneficial interest in assets held by others		403,820
	$	5,495,224

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Independent Auditor's 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*

To the Board of Directors
Any Baby Can of Austin, Inc.

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 Any Baby Can of Austin, Inc. (the Organization), which comprise the statement of financial position as of August 31, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 16, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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.*

The Board of Directors of
Any Baby Can of Austin, Inc.

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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
May 16, 2025

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Independent Auditor's Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State of Texas Grant Management Standards

To the Board of Directors
Any Baby Can of Austin, Inc.

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the compliance of Any Baby Can of Austin, Inc (the Organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the State of Texas Grant Management Standards (TXGMS) that could have a direct and material effect on each of the Organization's major federal and state programs for the year ended August 31, 2024. The Organization's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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 and state programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Federal and State 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*); 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) and TXGMS. Our responsibilities under those standards, Uniform Guidance and TXGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 and state program. Our audit does not provide a legal determination of the Organization'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 the Organization's federal and state programs.

Auditor's 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 the Organization'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*, Uniform Guidance and TXGMS will always detect material noncompliance when it exists. The risk of not detecting 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 the Organization's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance and TXGMS, 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 the Organization'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 the Organization'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 Uniform Guidance and TXGMS, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 or state 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 or state 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 Auditor's 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.

The Board of Directors of
Any Baby Can of Austin, Inc.

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 Uniform Guidance and TXGMS. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
May 16, 2025

Any Baby Can of Austin, Inc.

Schedule of Expenditures of Federal and State Awards

Year Ended August 31, 2024

Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures of Awards
FEDERAL AWARDS			
U.S. DEPARTMENT OF EDUCATION			
Pass-through programs from			
Texas Health and Human Services Commission			
Early Childhood Intervention Program - Special Education - Grants to States	84.027	HHS000640200024	$ 150,120
Early Childhood Intervention Program - Special Education - Grants for Infants and Families	84.181	HHS000640200024	975,982
Total U.S. Department of Education			1,126,102
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass-through programs from			
The University of Texas at Austin			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	UTAUS-SUB-0000116AM	141,269
Pass-through programs from			
Texas Health and Human Services Commission			
Early Childhood Intervention Program - Every Student Succeeds Act/Preschool Development Grants	93.434	HHS000640200024	51,618
The University of Texas at Austin			
Every Student Succeeds Act/Preschool Development Grants	93.434	UTAUS-SUB00001535	7,027
Subtotal Assistance Listing Number 93.434			58,645
Temporary Assistance for Needy Families (TANF) Cluster			
Pass-through programs from			
Texas Department of Family and Protective Services			
Nurse Family Partnership - Temporary Assistance for Needy Families - Non Assistance	93.558	HHS000791900012	1,573,879
Texas Health and Human Services Commission			
Early Childhood Intervention Program - Temporary Assistance for Needy Families	93.558	HHS000640200024	195,275
Total Temporary Assistance for Needy Families (TANF) Cluster			1,769,154
Pass-through programs from			
Texas Department of Family and Protective Services			
COVID-19 Nurse Family Partnership - Community Based Child Abuse Prevention Grant	93.590	HHS000791900012	408,716
Pass-through programs from			
Texas Department of Family and Protective Services to United Way for Greater Austin to Any Baby Can			
COVID-19 Maternal, Infant and Early Childhood Home Visiting Grant	93.870	24532533	21,150
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	24532533	364,096
Subtotal Assistance Listing Number 93.870			385,246
Pass-through programs from			
Texas Department of State Health Services			
Children with Special Healthcare Needs FSCR Program - Maternal and Child Health Block Grant to the States	93.994	HHS000532700002	82,984
Children with Special Healthcare Needs Case Management Program - Maternal and Child Health Block Grant to the States	93.994	HHS000315700005	188,846
Subtotal Assistance Listing Number 93.994			271,830
Total U.S. Department of Health and Human Services			3,034,860
U.S. DEPARTMENT OF THE TREASURY			
Pass-through programs from			
Austin Public Health			
COVID -19 Coronavirus State and Local Fiscal Recovery Funds	21.027	MA 5500 NS220000070	62,486
Total U.S. Department of the Treasury			62,486
Total Expenditures of Federal Awards			4,223,448
STATE AWARDS			
TEXAS HEALTH AND HUMAN SERVICES COMMISSION			
Early Childhood Intervention Program - Early Childhood Intervention	N/A	HHS000640200024	2,180,148
Early Childhood Intervention Program - Respite Services	N/A	HHS000640200024	6,351
Total Texas Health and Human Services Commission			2,186,499
TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES			
Nurse Family Partnership	N/A	HHS000791900012	333,679
Pass-through programs from			
SAFE - Project HOPES	N/A	24767186	547,812
Total Texas Department of Family and Protective Services			881,491
Total Expenditures of State Awards			3,067,990
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS			$ 7,291,438

The Notes to Schedule of Expenditures of Federal and State Awards are an integral part of this schedule.

Any Baby Can of Austin, Inc.

Notes to Schedule of Expenditures of Federal and State Awards

Note 1. Summary of Significant Accounting Policies

Reporting Entity

The schedule of expenditures of federal and state awards (the Schedule) includes the activity of all the federal and state grant programs administered by Any Baby Can of Austin, Inc. (the Organization). The Schedule presents total federal and state awards expended for each individual program.

Basis of Accounting

The expenditures for each of the federal and state financial assistance programs are presented on the accrual basis of accounting, consistent with the Organization's basic financial statements. The amounts reported in the financial statements agree with the amounts reported in the schedule as follows:

Total federal and state award expenditures per schedule	$	7,291,438
Plus local funding sources		2,495,471
Total government grants per statement of activities	$	9,786,909

Local Funds

In accordance with the terms of the Early Childhood Intervention Program, the Organization provided sources of funds other than federal and state to support the program totaling $3,637,046 for the year ended August 31, 2024.

Insurance Coverage

Any Baby Can of Austin, Inc. carried insurance coverage of $2,000,000 per incident for employee theft and $500,000 for forgery and alteration during the grant period.

Indirect Cost Rate

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

Any Baby Can of Austin, Inc.

Schedule of Findings and Questioned Costs
Year Ended August 31, 2024

Section 1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over compliance:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of Uniform Guidance?	No

Identification of major federal program:

Federal Assistance Listing Number	Name of Federal Program or Cluster
93.558	Temporary Assistance for Needy Families (TANF)

Dollar threshold used to distinguish programs:	$ 750,000
Auditee qualified as low-risk auditee:	Yes

State Awards

Internal control over major state programs:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of the State of Texas Single Audit Circular?	No

Identification of major state program:

Grant Number	Name of Federal Program or Cluster
HHS00640200024	Early Childhood Intervention Program - Early Childhood Intervention and Respite Services

Dollar threshold used to distinguish Type A programs:	$ 750,000
Auditee qualified as low-risk auditee:	Yes

Any Baby Can of Austin, Inc.

Schedule of Findings and Questioned Costs – Continued
Year Ended August 31, 2024

Section 2. Financial Statement Findings

None reported

Section 3. Federal and State Award Findings and Questioned Costs

None reported

Section 4. Schedule of Prior Audit Findings and Questioned Costs

None reported