COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

Financial Statements
With Independent Auditor's Report

December 31, 2025 and 2024

COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

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CAPINCROUSE
A DIVISION OF Carr, Riggs & Ingram

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Foundation of Greater Huntsville, Inc.
Huntsville, Alabama

Opinion

We have audited the accompanying financial statements of Community Foundation of Greater Huntsville, Inc., which comprise the statements of financial position as of December 31, 2025 and 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of Community Foundation of Greater Huntsville, Inc. as of December 31, 2025 and 2024, and the changes in their net assets and their 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. 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 Community Foundation of Greater Huntsville, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Foundation of Greater Huntsville, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Board of Directors
Community Foundation of Greater Huntsville, Inc.
Huntsville, Alabama

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 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 Community Foundation of Greater Huntsville, 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 Community Foundation of Greater Huntsville, 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.

Capin Crouse LLC

Lawrenceville, Georgia
June 17, 2026

COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

Statements of Financial Position

	December 31, 2025	December 31, 2024
ASSETS:		
Cash and cash equivalents	$ 2,431,653	$ 2,522,318
Investments	78,983,928	62,507,782
Other current assets	364,004	696,710
Property held for sale	-	600,000
Total Assets	$ 81,779,585	$ 66,326,810
LIABILITIES AND NET ASSETS:		
Liabilities:		
Grants and scholarships payable	$ 169,176	$ 185,093
Other current liabilities	128,963	204,416
Funds held for others	18,064,856	16,327,286
Total liabilities	18,362,995	16,716,795
Net assets:		
Without donor restrictions	47,249,418	36,323,915
With donor restrictions:		
Restricted with purpose and time	5,506,279	3,661,054
Restricted in perpetuity	10,660,893	9,625,046
	16,167,172	13,286,100
Total net assets	63,416,590	49,610,015
Total Liabilities and Net Assets	$ 81,779,585	$ 66,326,810

See notes to financial statements

COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

Statement of Activities

Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
CHANGE IN NET ASSETS:			
Support and Revenue:			
Contributions of financial assets	$ 19,747,810	$ 6,686,702	$ 26,434,512
Contributions of nonfinancial assets	1,735	-	1,735
Investment income	4,270,100	2,112,192	6,382,292
Other revenue	462,542	72,195	534,737
Total Support and Revenue	24,482,187	8,871,089	33,353,276
Reclassifications:			
Net assets released from restriction upon satisfaction of purpose restrictions	5,990,017	(5,990,017)	-
Expenses:			
Program activities	18,884,899	-	18,884,899
Supporting activities:			
General and administrative	441,075	-	441,075
Fundraising activities	220,727	-	220,727
Total Expenses	19,546,701	-	19,546,701
Change in Net Assets	10,925,503	2,881,072	13,806,575
Net Assets, Beginning of Year	36,323,915	13,286,100	49,610,015
Net Assets, End of Year	$ 47,249,418	$ 16,167,172	$ 63,416,590

See notes to financial statements

COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

Statement of Activities

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
CHANGE IN NET ASSETS:			
Support and Revenue:			
Contributions of financial assets	$ 11,769,047	$ 6,987,466	$ 18,756,513
Contributions of nonfinancial assets	600,000	-	600,000
Investment income	2,954,686	1,090,630	4,045,316
Other revenue	300,438	165,493	465,931
Total Support and Revenue	15,624,171	8,243,589	23,867,760
Reclassifications:			
Net assets released from restriction upon satisfaction of purpose restrictions	2,185,219	(2,185,219)	-
Expenses:			
Program activities	12,971,814	-	12,971,814
Supporting activities:			
General and administrative	354,449	-	354,449
Fundraising activities	181,872	-	181,872
Total Expenses	13,508,135	-	13,508,135
Change in Net Assets	4,301,255	6,058,370	10,359,625
Net Assets, Beginning of Year	32,022,660	7,227,730	39,250,390
Net Assets, End of Year	$ 36,323,915	$ 13,286,100	$ 49,610,015

See notes to financial statements

COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 13,806,575	$ 10,359,625
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Contributions of nonfinancial assets	(1,735)	(600,000)
Loss on sale of property held for sale	24,000	-
Unrealized (gain) loss on investments	(4,296,042)	232,388
Contributions received for long-term purposes	(1,103,408)	(5,748,454)
Changes in operating assets and liabilities:		
Other current assets	332,706	27,195
Grants and scholarships payable	(15,917)	153,593
Other current liabilities	(75,453)	75,558
Funds held for others	1,737,570	4,418,230
Net Cash Provided by Operating Activities	10,408,296	8,918,135
CASH FLOWS FROM INVESTING ACTIVITIES:		
Contributions received for long-term purposes	1,103,408	5,748,454
Proceeds from sale of property held for sale	576,000	-
Proceeds from sale of investments	15,927,478	7,769,583
Purchases of investments	(28,105,847)	(22,272,150)
Net Cash Used in Investing Activities	(10,498,961)	(8,754,113)
Net Change in Cash and Cash Equivalents	(90,665)	164,022
Cash and Cash Equivalents, Beginning of Year	2,522,318	2,358,296
Cash and Cash Equivalents, End of Year	$ 2,431,653	$ 2,522,318

See notes to financial statements

COMMUNITY FOUNDATION OF GREATER HUNTSVILLE, INC.

Notes to Financial Statements

December 31, 2025 and 2024

1. NATURE OF ORGANIZATION:

Community Foundation of Greater Huntsville, Inc. (the Foundation) was originally incorporated under the Non-Profit Corporation Code of the State of Alabama on October 31, 2008, and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (Code). The Foundation is currently classified as a publicly supported organization which is not a private foundation under Section 509(a)(1) of the Code. Contributions to the Foundation are tax-deductible within the limitations prescribed by the Code. The Foundation's main sources of revenue are contributions and investment income.

The Foundation's mission is to help donors mobilize their generosity to improve quality of life in our community.

The Foundation administers the following types of funds for its own operations and as an agent for others:

Donor-advised funds – Charitable fund agreements allow donors to make charitable contributions to a fund, which is used to make charitable distributions to qualified organizations. The funds are under the control of the Foundation, but donors are allowed to make recommendations as to their distribution. Donor-advised funds are reported as net assets without donor restrictions.

Designated, scholarship, and field of interest funds – Funds that represent irrevocable gifts to further the charitable area of interest, purposes of a specified charitable organization, or provide scholarships for deserving students. Distributions from these funds may be made as set forth in the fund agreement and with approval subject to the procedures of the board of the Foundation. These funds are reported as net assets with donor restrictions.

Funds held for others – Funds held for others include amounts administered as an agent for various other charitable organizations. The Foundation does not have control over the disbursement of these funds and are reported as a liability on the statements of financial position.

Endowment funds – Fund agreements which provide restrictions on the expenditure of the corpus of the gifts. The earnings are distributed according to a spending policy to further a variety of exempt purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, checking, and money market accounts. These accounts may, at times, exceed federally insured limits. The uninsured amounts as of December 31, 2025 and 2024, were approximately $849,000 and $2,481,000, respectively.

INVESTMENTS

Investments in equity securities with readily determinable fair values and all debt securities are reported at fair value based upon quoted market prices. Cash and cash equivalents are reported at cost plus accrued interest.

Portions of the Foundation's portfolio are held and managed by Greater Horizons; these investments are held in investment pools. Pro-rata ownership in the pools is determined under a system in which units of ownership are recorded to represent each member's share of the total market value of assets; therefore, the Foundation reports its interest in the pooled funds at fair value. Interest income, dividends, and appreciation or depreciation in the market value are allocated based on each pool member's percentage of ownership represented by these units and are included within investment income on the statement of activities. There are no redemption restrictions as the Foundation can redeem its fund from the investment pools as net asset value per share at the reporting date.

Donated investments are recorded at fair value on the date of donation and thereafter carried in accordance with the above provisions.

PROPERTY HELD FOR SALE

During the year ended December 31, 2024, the Foundation received a donation of a certain property in Huntsville, Alabama. The property was immediately listed for sale and actively marketed at a price that was reasonable in relation to its current fair market value. The property was sold during the year ended December 31, 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FUNDS HELD FOR OTHERS

Funds held for others represent assets transferred to the Foundation for investment management or other specified purposes by various nonprofit organizations that have designated themselves as the beneficiary of those funds. The Foundation accounts for the transfer of such assets as if it is holding the funds as an agent of the donor. The Foundation has recorded a liability for the fair value of these funds. The investment of these funds in investment pools, mutual funds, equity securities, debt securities, and exchange traded funds with readily determinable fair values are reported at fair value. In the event the Foundation is dissolved, agency funds would be returned to the benefiting nonprofit.

CLASSES OF NET ASSETS

Net assets without donor restrictions are currently available for philanthropic purposes under the direction of the board or designated by the board for specific use.

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

SUPPORT, REVENUE, AND RECLASSIFICATIONS

The Foundation recognizes support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of donated assets is transferred to the Foundation. Donated property (including securities, real property, and equipment) is recorded at fair value at the date of the gift. Conditional promises to give, that is those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

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

Other revenue includes revenue that is comprised of an exchange element based on the value specified in a contract with a customer. The Foundation recognizes the exchange portion of other revenue when it satisfies a performance obligation over the duration of the contract period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE, AND RECLASSIFICATIONS, continued

Gifts of property and equipment are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions to donor-advised funds are reported as without donor restriction support and net assets because the Foundation has the variance power to redirect these funds. Contributions to donor-advised funds is the Foundation's primary source of revenue.

During the year ended December 31, 2024, the Foundation received a donation of certain real property. Contributions of nonfinancial assets are reported as contributions at their estimated fair value on the date of receipt. Fair value was estimated using a third-party appraisal. The property did not have any donor-imposed restrictions during the year ended December 31, 2024. The property was sold during the year ended December 31, 2025.

EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing various program services and supporting activities of the Foundation have been summarized on a functional basis in the notes to these financial statements and in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Investment management fees, which are general and administrative expenses, have been netted against investment income.

Expenses include grants to qualified organizations, including those made in accordance with donor-advised agreements that are recognized when distributions are promised or made.

3. LIQUIDITY:

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Amounts not available include amounts designated by the governing board but could be drawn upon if the governing board approves that action, investments not expected to be utilized in the coming year, and notes receivable not expected to be received in the coming year. The following reflects the Foundation's financial assets that are available to meet general expenditures within one year of the statement of financial position date:

	December 31,	
	2025	2024
Financial assets:		
Cash and cash equivalents	$ 2,431,653	$ 2,522,318
Investments	78,983,928	62,507,782
	81,415,581	65,030,100
Less those unavailable for general expenditures within one year, due to:		
Funds held for others	(18,064,856)	(16,327,286)
Board-designated endowment funds	(1,114,650)	(778,431)
Donor-advised funds	(44,964,995)	(34,640,340)
Restricted by donor with purpose or time restriction:		
Endowment funds subject to appropriation beyond one year	(12,427,002)	(10,671,357)
	(76,571,503)	(62,417,414)
	$ 4,844,078	$ 2,612,686

The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that all obligations will be discharged.

4. INVESTMENTS:

Investments consist of:

	December 31, 2025	December 31, 2024
Held at cost plus accrued interest:		
Cash and cash equivalents	$ 9,776,992	$ 8,234,961
Held at fair value:		
Greater Horizons investment pools	42,243,719	30,076,470
Mutual funds	16,461,063	14,219,715
Equity securities	3,924,229	2,855,329
Debt securities	6,577,925	7,121,307
	69,206,936	54,272,821
	$ 78,983,928	$ 62,507,782

5. FUNDS HELD FOR OTHERS:

Funds held for others consisted of the following activity:

	December 31, 2025	December 31, 2024
Beginning balance	$ 16,327,286	$ 11,909,056
Investment income	1,593,598	1,053,493
Principal additions	4,406,489	4,033,861
Distributions and transfers	(4,262,517)	(669,124)
	$ 18,064,856	$ 16,327,286

6. FUNCTIONAL ALLOCATION OF EXPENSES:

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Foundation, which are primarily allocated on estimates of time and effort.

The following table presents the functional allocation of expenses for the year ended December 31, 2025:

	Program Activities	General and Administrative	Fundraising Activities	Total
Grants and scholarships	$ 18,406,637	$ -	$ -	$ 18,406,637
Salaries and benefits	250,117	206,347	168,829	625,293
Occupancy and equipment	33,163	58,175	16,582	107,920
Other	194,982	176,553	35,316	406,851
	$ 18,884,899	$ 441,075	$ 220,727	$ 19,546,701

The following table presents the functional allocation of expenses for the year ended December 31, 2024:

	Program Activities	General and Administrative	Fundraising Activities	Total
Grants and scholarships	$ 12,491,705	$ -	$ -	$ 12,491,705
Salaries and benefits	216,774	178,839	146,323	541,936
Occupancy and equipment	31,919	67,688	15,959	115,566
Other	231,416	107,922	19,590	358,928
	$ 12,971,814	$ 354,449	$ 181,872	$ 13,508,135

7. NET ASSETS:

Net assets are available for:

	December 31, 2025	December 31, 2024
Net assets without donor restrictions:		
Undesignated	$ 300,388	$ 121,344
Partners in Philanthropy Fund	869,385	783,800
Board-designated endowment funds	1,114,650	778,431
Donor-advised funds	44,964,995	34,640,340
	47,249,418	36,323,915
Net assets with donor restrictions:		
Designated by purpose or time:		
Designated funds	522,656	769,234
Field of Interest funds	1,621,663	1,047,736
Scholarship funds	912,553	517,581
Donor-restricted endowment funds	2,449,407	1,394,069
	5,506,279	3,728,620
Restricted in perpetuity:		
Donor-restricted endowment funds	10,660,893	9,557,485
	16,167,172	13,286,105
	$ 63,416,590	$ 49,610,020

8. ENDOWMENT FUNDS:

The Foundation's endowment consists of several funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's board of directors has interpreted the Alabama version of the Uniform Prudent Management of Institutional Funds Act (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 Foundation classifies net assets as restricted in perpetuity as the original value of gifts donated to the permanent endowment, the original value of subsequent gifts to the permanent endowment, and 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 in net assets restricted in perpetuity is classified as net assets restricted by purpose or time until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate a donor-restricted endowment fund:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Endowment net asset composition by type of fund as of December 31, 2025:

	Without Donor Restrictions	Restricted by Purpose or Time	Restricted in perpetuity	Total
Donor-restricted endowment funds	$ -	$ 2,449,407	$ 10,660,893	$ 13,110,300
Board-designated endowment funds	1,114,650	-	-	1,114,650
	$ 1,114,650	$ 2,449,407	$ 10,660,893	$ 14,224,950

8. ENDOWMENT FUNDS, continued:

Changes in endowment net assets for the year ended December 31, 2025:

	Without Donor Restrictions	Restricted by Purpose or Time	Restricted in perpetuity	Total
Beginning endowment net assets	$ 778,431	$ 1,394,069	$ 9,557,485	$ 11,729,985
Investment return:				
Interest and dividends	26,485	366,841	-	393,326
Net appreciation	106,243	1,371,795	-	1,478,038
	132,728	1,738,636	-	1,871,364
Contributions	208,088	-	1,103,408	1,311,496
Appropriation of endowment assets for expenditure	(4,597)	(683,298)	-	(687,895)
	336,219	1,055,338	1,103,408	2,494,965
Ending endowment net assets	$ 1,114,650	$ 2,449,407	$ 10,660,893	$ 14,224,950

Endowment net asset composition by type of fund as of December 31, 2024:

	Without Donor Restrictions	Restricted by Purpose or Time	Restricted in perpetuity	Total
Donor-restricted endowment funds	$ -	$ 1,394,069	$ 9,557,485	$ 10,951,554
Board-designated endowment funds	778,431	-	-	778,431
	$ 778,431	$ 1,394,069	$ 9,557,485	$ 11,729,985

8. ENDOWMENT FUNDS, continued:

Changes in endowment net assets for the year ended December 31, 2024:

	Without Donor Restrictions	Restricted by Purpose or Time	Restricted in perpetuity	Total
Beginning endowment net assets	$ 493,994	$ 860,118	$ 3,876,592	$ 5,230,704
Investment return:				
Interest and dividends	19,535	253,157	-	272,692
Net appreciation	53,819	628,552	-	682,371
	73,354	881,709	-	955,063
Contributions	223,838	-	5,680,893	5,904,731
Appropriation of endowment assets for expenditure	(12,755)	(347,758)	-	(360,513)
	284,437	533,951	5,680,893	6,499,281
Ending endowment net assets	$ 778,431	$ 1,394,069	$ 9,557,485	$ 11,729,985

Funds with deficiencies: On occasion, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets with donor restriction. As of December 31, 2025, there were no endowment funds with deficiencies. As of December 31, 2024, a fund with an original gift value of $250,000, fair value of $249,001, and a deficiency of $999 was reported in net assets with donor restrictions.

Return objective and risk parameters: The Foundation 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 value of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. 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 exceed the price and yield results of selected benchmarks for each investment asset class, while assuming diversified levels of investment risk. The Foundation expects its endowment funds, over time, to provide an average annual rate of return of approximately greater than the corresponding benchmark. Actual returns vary from this amount.

8. ENDOWMENT FUNDS, continued:

Strategies employed for achieving objectives : In order to satisfy long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yields (interest and dividends). The Foundation maintains a diversified asset allocation that is weighted more heavily with equity-based investments in an attempt to achieve long-term return objectives within reasonable risk constraints.

Relationship between investment objectives and spending policy : The Foundation has a policy of appropriating a yearly distribution equal to 4.5% of its endowment fund's average fair value over the prior 12 quarters through the year-end preceding the fiscal year in which the distribution is planned. In establishing the policy, the Foundation considered the long-term expected return on its endowment. The policy is consistent with the Foundation's objective of maintaining the value of the endowment assets held in perpetuity or for a specified term while providing additional real growth through new gifts and investment returns.

9. DISCLOSURE OF FAIR VALUE AND FAIR VALUE MEASUREMENTS:

The following disclosure of estimated fair value of financial instruments as of December 31, 2025 and 2024, is made in accordance with the requirements of the *Fair Value Measurements and Disclosure* topic of the Financial Accounting Standards Board Accounting Standards Codification. Methods and assumptions used by the Foundation in estimating fair values are as follows:

Mutual funds , *equity securities, debt securities* , *and exchange traded funds*– The fair value of these financial instruments is based on quoted market prices or dealer quotes.

Greater Horizons investment pools– The fair value of these financial instruments is based on the Foundation's per share interest in the pooled funds as reported by the fund managers.

Change in valuation techniques –None.

The Foundation uses appropriate valuation techniques to determine fair value based on inputs available. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

9. DISCLOSURE OF FAIR VALUE AND FAIR VALUE MEASUREMENTS, continued:

The following table presents the fair value measurements recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the *Fair Value Measurements and Disclosure* topic fair value hierarchy in which the fair value measurements fall:

	December 31, 2025			
	Total	Level 1	Level 2	Level 3
Investments held at fair value:				
Greater Horizons investment pools	$ 42,243,719	$ -	$ 42,243,719	$ -
Mutual funds	16,461,063	16,461,063	-	-
Equity securities	3,924,229	3,924,229	-	-
Debt securities	6,577,925	-	6,577,925	-
Total fair value investments	69,206,936	$ 20,385,292	$ 48,821,644	$ -
Cash and cash equivalents held at cost	9,776,992			
Total investments	$ 78,983,928			

	December 31, 2024			
	Total	Level 1	Level 2	Level 3
Investments held at fair value:				
Greater Horizons investment pools	$ 30,076,470	$ -	$ 30,076,470	$ -
Mutual funds	14,219,715	14,219,715	-	-
Equity securities	2,855,329	2,855,329	-	-
Debt securities	7,121,307	-	7,121,307	-
Total fair value investments	54,272,821	$ 17,075,044	$ 37,197,777	$ -
Cash and cash equivalents held at cost	8,234,961			
Total investments	$ 62,507,782			

10. CONCENTRATION:

For the year ended December 31, 2025, the Foundation received approximately 40% of its total contributions from three donors. For the year ended December 31, 2024, the Foundation received approximately 37% of its total contributions from two donors.

11. EMPLOYEE BENEFIT PLAN:

The Foundation has established a Simple IRA plan (the Plan) for eligible employees. Employer contributions to the Plan for the years ended December 31, 2025 and 2024, totaled $13,254 and $11,150, respectively.

12. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through June 17, 2026, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.