

**HERBERT H. LEHMAN
COLLEGE FOUNDATION, INC.**

FINANCIAL STATEMENTS

JUNE 30, 2025

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Herbert H. Lehman College Foundation, Inc.

Report of the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Herbert H. Lehman College Foundation, Inc. (the Foundation) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Herbert H. Lehman College Foundation, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Foundation as of June 30, 2024 were audited by other auditors whose report dated September 18, 2024 expressed an unmodified opinion on those statements.

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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

Kristie M. Beach, CPAs, PLLC

Kristie M. Beach, CPAs, PLLC
Webster, New York
September 30, 2025

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Statements of Financial Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets		
Cash and equivalents	\$ 6,467,878	\$ 5,361,756
Current portion of contributions receivable - net	298,180	665,221
Prepaid expenses	96,845	105,672
Other assets	16,655	20,556
Total current assets	6,879,558	6,153,205
Noncurrent assets		
Investments	9,929,712	8,854,528
Contributions receivable - net of current portion	21,463	457,565
Total noncurrent assets	9,951,175	9,312,093
Total assets	\$ 16,830,733	\$ 15,465,298
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 190,000	\$ 216,539
Current portion of annuity payable	-	700
Total current liabilities	190,000	217,239
Annuity payable - excluding current portion	-	785
Total liabilities	190,000	218,024
Net assets		
Without donor restrictions	1,813,488	1,772,806
With donor restrictions	14,827,245	13,474,468
Total net assets	16,640,733	15,247,274
Total liabilities and net assets	\$ 16,830,733	\$ 15,465,298

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

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Statements of Activities
For the Years Ended June 30, 2025 and 2024

	2025			2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and Revenue						
Contributions	\$ 1,098,850	\$ 3,447,575	\$ 4,546,425	\$ 626,506	\$ 3,437,942	\$ 4,064,448
Special events	176,370	-	176,370	16,370	-	16,370
Less: direct cost of special events	(58,472)	-	(58,472)	(104,502)	-	(104,502)
Interest and dividends - reinvested	228,987	21,900	250,887	193,809	130,551	324,360
Interest and dividends - liquidated	-	129,340	129,340	-	-	-
Realized gain from sales of investments - reinvested	-	10,405	10,405	158	119,876	120,034
Realized gain from sales of investments - liquidated	-	296,200	296,200	-	-	-
Unrealized gain on investments - reinvested	-	581,121	581,121	372	342,474	342,846
Contributed nonfinancial assets	349,338	-	349,338	367,899	-	367,899
Net assets released from restrictions	3,133,764	(3,133,764)	-	3,600,200	(3,600,200)	-
Total revenue	4,928,837	1,352,777	6,281,614	4,700,812	430,643	5,131,455
Expenses						
Program services:						
Support of College	1,665,699	-	1,665,699	590,198	-	590,198
Support of students	2,273,498	-	2,273,498	2,520,844	-	2,520,844
Total program services	3,939,197	-	3,939,197	3,111,042	-	3,111,042
Supporting services:						
Management and general	426,487	-	426,487	392,923	-	392,923
Fundraising	522,471	-	522,471	661,143	-	661,143
Total supporting services	948,958	-	948,958	1,054,066	-	1,054,066
Total expenses	4,888,155	-	4,888,155	4,165,108	-	4,165,108
Change in Net Assets	40,682	1,352,777	1,393,459	535,704	430,643	966,347
Net Assets - Beginning	1,772,806	13,474,468	15,247,274	1,237,102	13,043,825	14,280,927
Net Assets - Ending	\$ 1,813,488	\$ 14,827,245	\$ 16,640,733	\$ 1,772,806	\$ 13,474,468	\$ 15,247,274

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

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Statements of Functional Expenses
For the Years Ended June 30, 2025 and 2024

	2025			2024			
	Program Services Support of College	Supporting Services Management and General	Supporting Services Fundraising	Program Services Support of College	Supporting Services Management and General	Supporting Services Fundraising	Total
Professional fees and services	\$ 224,130	\$ 98,983	\$ 487,001	\$ -	\$ 87,635	\$ 532,000	\$ 619,635
Personnel	680,102	94,989	-	230,966	96,301	-	327,267
Scholarships, awards and programmatic aide	70,778	-	2,344,276	-	-	42,725	2,563,569
Contributed nonfinancial assets	156,934	156,934	35,470	140,983	140,983	85,933	367,899
Supplies and materials	122,096	410	122,506	57,826	1,709	-	59,535
Postage and shipping	-	403	403	-	3,376	-	3,376
Travel and conferences	187,121	2,608	189,729	110,394	1,282	-	111,676
Insurance	-	10,486	10,486	-	8,210	-	8,210
Subscriptions and memberships	61,081	27,487	88,568	30,275	21,854	-	52,129
Registration and filing fees	-	12,841	12,841	-	14,133	-	14,133
Entertainment	-	-	-	19,754	821	-	20,575
Software and licensing fees	31,662	-	31,662	-	-	-	-
Bad debt	61,426	-	61,426	-	-	-	-
Banking and processing fees	-	19,497	19,497	-	16,619	-	16,619
Recruiting, advertising and public relations	70,369	1,728	72,097	-	-	-	-
Miscellaneous	-	121	121	-	-	485	485
Total expenses	\$ 1,665,699	\$ 426,487	\$ 522,471	\$ 590,198	\$ 392,923	\$ 661,143	\$ 4,165,108

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

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Statements of Cash Flows
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 1,393,459	\$ 966,347
Adjustments to reconcile change in net assets to net cash from operating activities:		
Realized and unrealized gain on investments - reinvested	(591,526)	(462,880)
Realized and unrealized gain on investments - liquidated	(296,200)	-
Changes in:		
Contributions receivable	803,143	(163,473)
Prepaid expenses	8,827	361,442
Other assets	3,901	(16,132)
Accounts payable	(26,539)	155,589
Net cash flows from operating activities	<u>1,295,065</u>	<u>840,893</u>
Cash Flows from Investing Activities		
Purchase of investments - reinvested	(492,434)	-
Purchase of investments - liquidated	(21,901)	(506,743)
Proceeds from sales of investments - liquidated	326,877	397,174
Net cash flows from investing activities	<u>(187,458)</u>	<u>(109,569)</u>
Cash Flows from Financing Activities		
Repayments of annuity payable	(1,485)	-
Net Change in Cash and Equivalents	1,106,122	731,324
Cash and Equivalents - Beginning	<u>5,361,756</u>	<u>4,630,432</u>
Cash and Equivalents - Ending	<u>\$ 6,467,878</u>	<u>\$ 5,361,756</u>

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

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

Note 1. Nature of Organization

Herbert H. Lehman College Foundation, Inc. (the Foundation) was created to support the educational endeavors of Herbert H. Lehman College (the College). In particular, the Foundation will provide scholarships and loans for students, support scholarly activities and augment College facilities and equipment. Its primary sources of revenues are contributions and investment income.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting - The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation - The Foundation reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represents resources available for the general support of the Foundation's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Foundation.

Use of Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Equivalents - For the purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Endowment - The Foundation's endowment was established by donations made directly to the Foundation. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of explicit donor-imposed restrictions; see note 8 for endowment funds detail.

The New York Prudent Management of Institutional Funds Act (NYPMIFA) was enacted on September 17, 2010 and removes the prohibition on appropriations below the historic dollar value of endowment funds absent explicit donor stipulations to the contrary.

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

- The duration and preservation of the various funds.
- The purposes of the donor-restricted endowment funds.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Foundation.
- The investment policies of the Foundation.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

Investments - Investments are reported at their fair values based on quoted market prices. Donated securities are recorded at fair value at the date of donation. Realized and unrealized gains and losses are included in the statement of activities as changes in net assets without donor restrictions, unless their use is restricted by explicit donor stipulations or by law.

Fair Value Measurements - A framework has been established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in active markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement within the fair value hierarchy is based on the lowest level of any input significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used during the years ended June 30, 2025 and 2024. The investments held by the Foundation at June 30, 2024 in the CUNY investment pool were classified as level 2 in the fair value hierarchy. The investments held by the Foundation at June 30, 2025 are classified as level 1 in the fair value hierarchy.

- Mutual funds - stocks and bonds - Valued at the closing price reported on active market in which the individual securities are traded.
- Exchange traded products - Valued at the closing price reported on active market in which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Foundation assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with its accounting policy regarding the recognition of transfers between levels of the fair value hierarchy.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

Contributions Receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Allowance for Doubtful Accounts - The Foundation determines whether an allowance for uncollectible accounts should be provided for contributions receivable. Such estimates are based on management's assessment of the aged basis of its receivables, current economic conditions, subsequent collections and historical information. Receivables are charged to bad debts when they are deemed to be uncollectible based upon a periodic review of the accounts by management. As of June 30, 2025 and 2024 the Foundation had no allowance for doubtful accounts.

Contracts with Customers - Under Accounting Standards Update (ASU) No. 2014-09 (Topic 606) - Revenue from Contracts with Customers, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Foundation expects to be entitled in exchange for these good or services. The Foundation utilizes a five-step framework as identified in ASU No. 2014-09. The primary sources of revenue from contracts with customers for the Foundation are as follows:

Special Events - Special event revenue, excluding any contribution component, consists of a single performance obligation and revenue is recognized when the event occurs. There are minimal factors that could impact the nature, amount and timing of the uncertainties involving this revenue and the related cash flows.

Special event revenue is generally nonrefundable and is due before the event occurs or at the start of the event. Special event revenue is received in advance and is deferred and recognized when the event takes place.

Revenue Recognition - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Unconditional promises to give and other assets, are reported at fair value at the date the contribution is received.

Donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when 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 statements of activities as net assets released from restrictions.

Functional Allocation of Expenses - The costs of providing the Foundation's various programs and other activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are allocated based on management estimates.

Subsequent Events - The Foundation has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

Income Taxes - The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code); therefore, no provision for income taxes is reflected in the financial statements. The Foundation has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Foundation presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Foundation has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Foundation are subject to examination by taxing authorities.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

Reclassifications - Certain reclassifications have been made to the financial statements for the year ended June 30, 2024. These reclassifications are for comparative purposes only and have no effect on the total change in net assets as originally reported.

Note 3. Liquidity

The Foundation has \$6,766,058 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$6,467,878 of cash and cash equivalents and \$298,180 of current receivables - net. Certain of these assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2025 statement of financial position.

Note 4. Cash and Equivalents

Custodial credit risk of deposits is the risk that the Foundation's deposits may not be returned in the event of a bank failure. At June 30, 2025, \$5,929,761 of the Foundation's bank balance of \$6,468,790 was exposed to custodial credit risk. At June 30, 2024, \$5,090,717 of the Foundation's bank balance of \$5,340,717 was exposed to custodial credit risk. Although the accounts exceed the federally insured deposit amount, they are held with a "Systemically Important Financial Institution," as established by the Dodd-Frank Act of 2010 and management intends to continue to do so in the future to mitigate this risk.

Note 5. Contributions Receivable

Contributions receivable primarily consisted of unconditional promises to give to support scholarships, awards and programmatic initiatives. A summary of contributions receivable at June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Amounts due in:		
Less than one year	\$ 298,180	\$ 665,221
One to five years	22,271	507,041
	320,451	1,172,262
Less unamortized discount at 3.68% in 2025 and 4.3% in 2024	(808)	(49,476)
	\$ 319,643	\$ 1,122,786

Contributions receivable as reflected in the accompanying statements of financial position at June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Current	\$ 298,180	\$ 665,221
Long-term	21,463	457,565
	\$ 319,643	\$ 1,122,786

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

Note 6. Investments and Related Investment Income

The Foundation previously held investments in the CUNY investment pool which were comprised of assets which were pooled and invested by and under the control of the Committee. Pooled investments included equity and fixed income securities. These investments were valued as of April 30, 2025 and were transferred in two installments, on May 1, 2025 and May 30, 2025, to Fidelity Investments.

The following table summarizes the activity for the investments during the years ended June 30, 2024 and 2025:

Balance at June 30, 2023	\$ 8,282,079
Additions	376,036
Withdrawals	(397,174)
Interest and dividends	130,707
Realized gain	120,034
Unrealized gain	342,846
Balance at June 30, 2024	<u>8,854,528</u>
Additions	363,095
Withdrawals	(326,877)
Interest and dividends	129,340
Realized gain	296,200
Reinvestment of investments	(9,316,286)
Balance at June 30, 2025	<u>\$ -</u>

A summary of investment income related to the CUNY investment pool for the years ended June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 129,340	\$ 130,707
Realized gain	296,200	120,034
Unrealized gain	-	342,846
Total investment income	<u>\$ 425,540</u>	<u>\$ 593,587</u>

On May 1, 2025 and May 30, 2025, the cash value of the investments was transferred to Fidelity Investments and are held in cash and equivalents, mutual funds and exchange traded products. The following tables set forth the Foundation's investments at fair value by level type, within the fair value hierarchy, as of June 30, 2025 and 2024.

	<u>2025</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents	\$ 11,112	\$ -	\$ -	\$ 11,112
Mutual funds – stocks and bonds	8,730,513	-	-	8,730,513
Exchange traded products	1,188,087	-	-	1,188,087
	<u>\$ 9,929,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,929,712</u>

A summary of investment income related to the Fidelity Investments for the years ended June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 21,900	\$ -
Realized gain	10,405	-
Unrealized gain	581,121	-
Total investment income	<u>\$ 613,426</u>	<u>\$ -</u>

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

Note 7. Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30, 2025 and 2024 are available for the following purposes or periods:

	<u>2025</u>	<u>2024</u>
Time or purpose restriction:		
Educational services:		
Purpose and time restricted	\$ 4,897,533	\$ 4,619,940
Unappropriated endowment earnings	1,885,240	1,173,151
Endowment – educational services	<u>8,044,472</u>	<u>7,681,377</u>
	<u>\$ 14,827,245</u>	<u>\$ 13,474,468</u>

During the years ended June 30, 2025 and 2024, net assets with donor restrictions were released from restrictions by incurring expenses for scholarships, awards and other expenses amounting to \$3,133,764 and \$3,600,200, respectively.

Note 8. Endowment Fund

The Foundation classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment including any present value adjustment, (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 Foundation has adopted investment and spending policies, approved by the Board of Directors, 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 these endowment assets over the long-term. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. Actual returns in any given year may vary from this amount. To satisfy its 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 yield (interest and dividends). The Foundation targets a diversified assets allocation.

HERBERT H. LEHMAN COLLEGE FOUNDATION, INC.
Notes to Financial Statements

The spending policy calculates the amount of money annually distributed from the Foundation's various endowment funds for grant making and administration. The current spending policy is to distribute 4% on quarterly moving average of endowment assets until it reaches 20 quarters on the determination date ending December 31st of the fiscal year beginning July 1st of the year when the distributions are to be made.

	2025		
	<u>Time</u>	<u>Endowment</u>	<u>Total</u>
	<u>Restrictions</u>	<u>Restrictions</u>	
Endowment net assets - beginning	\$ 1,173,151	\$ 7,681,377	\$ 8,854,528
Contributions	-	363,095	363,095
Appropriated for distribution	(326,877)	-	(326,877)
Interest and dividends	151,240	-	151,240
Realized gain on investment	306,605	-	306,605
Unrealized gain on investments	581,121	-	581,121
Endowment net assets - ending	<u>\$ 1,885,240</u>	<u>\$ 8,044,472</u>	<u>\$ 9,929,712</u>
	2024		
	<u>Time</u>	<u>Endowment</u>	<u>Total</u>
	<u>Restrictions</u>	<u>Restrictions</u>	
Endowment net assets - beginning	\$ 976,738	\$ 7,305,341	\$ 8,282,079
Contributions	-	376,036	376,036
Appropriated for distribution	(397,174)	-	(397,174)
Interest and dividends	130,707	-	130,707
Realized gain on investment	120,034	-	120,034
Unrealized gain on investments	342,846	-	342,846
Endowment net assets - ending	<u>\$ 1,173,151</u>	<u>\$ 7,681,377</u>	<u>\$ 8,854,528</u>

Note 9. Contributed Nonfinancial Assets

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized within the statements of activities included the following:

	<u>2025</u>	<u>2024</u>
Services	\$ 306,107	\$ 266,486
Rent	7,760	15,480
Gifts	35,471	85,933
	<u>\$ 349,338</u>	<u>\$ 367,899</u>

Contributed professional services recognized are comprised of professional services related to the operations of the Foundation. Amounts represent an estimated percentage of time worked on Foundation related activity. Contributed rent represents the Foundation's share of the building in which the Foundation operates. The square footage rate used in the calculation is based on similar office space in the surrounding area. Contributed gifts recognized are comprised of the value of items contributed to the Gala as prizes.