Northern Illinois University Foundation

Consolidated Financial Report

June 30, 2026

Northern Illinois University Foundation

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Plante & Moran, PLLC
10 South Riverside Plaza
9th floor
Chicago, IL 60606
Tel: 312.207.1040
Fax: 312.207.1066
plantemoran.com

Independent Auditor's Report

To the Board of Directors
Northern Illinois University Foundation

Opinion

We have audited the consolidated financial statements of Northern Illinois University Foundation and its subsidiaries (the "Foundation"), which comprise the consolidated statement of financial position as of June 30, 2026 and 2025 and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2026 and 2025 and the changes in its net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our 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 described in Note 4, the consolidated financial statements include investments valued at $48,714,768 (approximately 21 percent of net assets) at June 30, 2026 and $44,801,918 (approximately 23 percent of net assets) at June 30, 2025, whose fair values have been estimated by management in the absence of readily determinable market values. Management's estimates are based on information provided by the fund managers of the investments held. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are issued or available to be issued.

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To the Board of Directors
Northern Illinois University Foundation

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits 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 consolidated 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

October 5, 2026

Northern Illinois University Foundation

Consolidated Statement of Financial Position

June 30, 2026 and 2025

	2026	2025
Assets		
Cash and cash equivalents	$ 29,736,937	$ 14,139,300
Investments	197,011,161	181,541,037
Student Managed Portfolio	2,172,904	1,742,565
Receivables - Net of allowances:		
Pledges receivable	25,489,287	32,861,077
Other accounts receivable	7,347,733	4,011
Prepaid expenses and other assets	444,860	423,904
Property and equipment - Net	5,017,390	4,745,022
Total assets	**$ 267,220,272**	**$ 235,456,916**
Liabilities and Net Assets		
Liabilities		
Accounts payable and other liabilities	$ 832,665	$ 745,091
Due to NIU	3,109,333	2,403,795
Agency - Endowment and gift accounts administered for NIU	14,474,567	13,303,110
Annuity liability	1,081,275	1,049,416
Total liabilities	19,497,840	17,501,412
Net Assets		
Net assets without donor restrictions:		
Undesignated	2,516,576	24,024,192
Board designated	35,467,914	8,170,335
Total net assets without donor restrictions	37,984,490	32,194,527
Net assets with donor restrictions	209,737,942	185,760,977
Total net assets	247,722,432	217,955,504
Total liabilities and net assets	**$ 267,220,272**	**$ 235,456,916**

See notes to consolidated financial statements.

Northern Illinois University Foundation

Consolidated Statement of Activities and Changes in Net Assets

Years Ended June 30, 2026 and 2025

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, and Other Support						
Contributions	$ 1,903,815	$ 17,702,486	$ 19,606,301	$ 3,574,617	$ 46,570,217	$ 50,144,834
Contributed service revenue	4,861,445	-	4,861,445	5,130,142	-	5,130,142
Travel program	35,671	-	35,671	280,722	-	280,722
Services contract revenue	743,600	-	743,600	743,600	-	743,600
Royalties	56,679	-	56,679	72,873	-	72,873
Investment income - Net	2,505,651	24,641,847	27,147,498	2,326,375	15,314,100	17,640,475
Other income	338,115	295,095	633,210	503,327	159,565	662,892
Net assets released from restrictions	18,662,463	(18,662,463)	-	16,679,402	(16,679,402)	-
Total revenue, gains, and other support	29,107,439	23,976,965	53,084,404	29,311,058	45,364,480	74,675,538
Expenses						
Program services:						
University departments and programs	9,916,769	-	9,916,769	10,946,282	-	10,946,282
Scholarships	4,772,604	-	4,772,604	3,667,250	-	3,667,250
Total program services	14,689,373	-	14,689,373	14,613,532	-	14,613,532
Support services:						
Management and general	3,405,563	-	3,405,563	2,757,765	-	2,757,765
Fundraising	5,222,540	-	5,222,540	5,813,776	-	5,813,776
Total support services	8,628,103	-	8,628,103	8,571,541	-	8,571,541
Total expenses	23,317,476	-	23,317,476	23,185,073	-	23,185,073
Increase in Net Assets	5,789,963	23,976,965	29,766,928	6,125,985	45,364,480	51,490,465
Net Assets - Beginning of year	32,194,527	185,760,977	217,955,504	26,068,542	140,396,497	166,465,039
Net Assets - End of year	**$ 37,984,490**	**$ 209,737,942**	**$ 247,722,432**	**$ 32,194,527**	**$ 185,760,977**	**$ 217,955,504**

See notes to consolidated financial statements.

Northern Illinois University Foundation

Consolidated Statement of Functional Expenses

Year Ended June 30, 2026

	Program Services			Support Services			
	Program	Scholarships	Total	Management and General	Fundraising	Total	Total
Scholarships	$ -	$ 4,772,604	$ 4,772,604	$ -	$ -	$ -	$ 4,772,604
Foundation support for personnel services	4,126,745	-	4,126,745	2,471,845	4,188,266	6,660,111	10,786,856
Professional services	700,840	-	700,840	178,321	340,025	518,346	1,219,186
Accounting fees	20,900	-	20,900	55,694	-	55,694	76,594
Legal fees	1,959	-	1,959	133,831	-	133,831	135,790
Advertising and promotion	460,831	-	460,831	19,043	21,891	40,934	501,765
Recruitment	45,590	-	45,590	613	397	1,010	46,600
Office supplies	215,845	-	215,845	32,620	121,202	153,822	369,667
Office expense	763,821	-	763,821	340,997	358,667	699,664	1,463,485
Equipment rental and maintenance	301,303	-	301,303	8,419	7,465	15,884	317,187
Repairs and maintenance	128,851	-	128,851	11,531	2,624	14,155	143,006
Travel	794,854	-	794,854	21,680	102,768	124,448	919,302
Conferences, conventions, and meetings	1,017,560	-	1,017,560	58,039	79,207	137,246	1,154,806
Insurance	3,623	-	3,623	72,530	-	72,530	76,153
Depreciation	49,131	-	49,131	-	-	-	49,131
Assets purchased for NIU	1,250,210	-	1,250,210	-	-	-	1,250,210
Taxes	5,455	-	5,455	387	-	387	5,842
Other	29,251	-	29,251	13	28	41	29,292
Total functional expenses	**$ 9,916,769**	**$ 4,772,604**	**$ 14,689,373**	**$ 3,405,563**	**$ 5,222,540**	**$ 8,628,103**	**$ 23,317,476**

See notes to consolidated financial statements.

Northern Illinois University Foundation

Consolidated Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services			Support Services			
	Program	Scholarships	Total	Management and General	Fundraising	Total	Total
Scholarships	$ -	$ 3,667,250	$ 3,667,250	$ -	$ -	$ -	$ 3,667,250
Foundation support for personnel services	3,893,972	-	3,893,972	1,950,234	4,648,024	6,598,258	10,492,230
Professional services	585,578	-	585,578	115,616	393,622	509,238	1,094,816
Accounting fees	-	-	-	71,671	-	71,671	71,671
Legal fees	11,545	-	11,545	116,846	-	116,846	128,391
Advertising and promotion	266,962	-	266,962	15,739	28,769	44,508	311,470
Recruitment	13,959	-	13,959	453	648	1,101	15,060
Office supplies	241,879	-	241,879	26,745	67,866	94,611	336,490
Office expense	404,266	-	404,266	249,287	313,943	563,230	967,496
Equipment rental and maintenance	318,123	-	318,123	17,002	7,521	24,523	342,646
Repairs and maintenance	83,071	-	83,071	8,129	2,579	10,708	93,779
Travel	965,495	-	965,495	6,160	89,236	95,396	1,060,891
Travel program	240,736	-	240,736	-	-	-	240,736
Conferences, conventions, and meetings	1,372,926	-	1,372,926	80,663	253,702	334,365	1,707,291
Insurance	-	-	-	95,829	-	95,829	95,829
Depreciation	45,759	-	45,759	-	-	-	45,759
Assets purchased for NIU	2,448,386	-	2,448,386	-	-	-	2,448,386
Taxes	5,408	-	5,408	722	-	722	6,130
Other	48,217	-	48,217	2,669	7,866	10,535	58,752
Total functional expenses	**$ 10,946,282**	**$ 3,667,250**	**$ 14,613,532**	**$ 2,757,765**	**$ 5,813,776**	**$ 8,571,541**	**$ 23,185,073**

See notes to consolidated financial statements.

Northern Illinois University Foundation

Consolidated Statement of Cash Flows

Years Ended June 30, 2026 and 2025

	2026	2025
Cash Flows from Operating Activities		
Expendable gifts received	$ 15,984,683	$ 10,461,929
Payments from services contract with NIU	743,600	743,600
Events and program fees received	207,857	238,157
Sponsorships and royalties	56,679	72,873
Travel tour fees received	16,919	207,822
Payments for travel tours	-	(240,736)
Rental income	-	1,700
Foundation operations and fundraising expense	(5,410,360)	(5,010,928)
Scholarships and other expense on behalf of NIU	(13,428,586)	(11,862,530)
Assets purchased for NIU	(1,250,210)	(2,448,386)
Other operating revenue	432,392	424,392
Net cash and cash equivalents provided by (used in) operating activities	(2,647,026)	(7,412,107)
Cash Flows from Investing Activities		
Purchase of property and equipment	(321,500)	(255,557)
Disposal of property and equipment	-	543,297
Purchase of investments	(170,920,121)	(77,537,362)
Proceeds from sale and maturities of investments	179,506,150	88,054,786
Interest and dividend income reinvested	(5,732,863)	(4,956,510)
Payment of investment fees	576,738	430,529
Net cash and cash equivalents provided by investing activities	3,108,404	6,279,183
Cash Flows from Capital and Related Financing Activities		
Gifts received for endowment purposes	5,396,973	2,346,175
Gifts received for long-term purposes	9,500,000	10,000,000
Payments on charitable remainder unitrust (CRUT) liabilities	239,286	88,740
Net cash and cash equivalents provided by capital and related financing activities	15,136,259	12,434,915
Net Increase in Cash and Cash Equivalents	15,597,637	11,301,991
Cash and Cash Equivalents - Beginning of year	14,139,300	2,837,309
Cash and Cash Equivalents - End of year	**$ 29,736,937**	**$ 14,139,300**

See notes to consolidated financial statements.

Northern Illinois University Foundation

Consolidated Statement of Cash Flows (Continued)

Years Ended June 30, 2026 and 2025

	2026	2025
Reconciliation of Increase in Net Assets to Net Cash and Cash Equivalents from Operating Activities		
Increase in net assets	$ 29,766,928	$ 51,490,465
Adjustments to reconcile increase in net assets to net cash and cash equivalents from operating activities:		
Depreciation	49,131	45,759
Investment income	(20,759,299)	(18,429,764)
Gifts received for endowment purposes	(11,675,463)	(17,892,443)
Gifts received for long-term purposes	(2,000,000)	(21,339,000)
(Decrease) increase in assets and liabilities:		
Receivables	(7,343,726)	146,406
Prepaid expenses and other assets	(20,956)	(144,146)
Pledges receivables	7,371,790	(1,803,696)
Accounts payable, accrued expenses, and other liabilities	87,574	147,490
Due to NIU	705,538	(315,640)
Agency - NIU	1,171,457	755,362
Deferred revenue	-	(72,900)
Total adjustments	(32,413,954)	(58,902,572)
Net cash and cash equivalents provided by (used in) operating activities	**$ (2,647,026)**	**$ (7,412,107)**

Note 1 - Nature of Business

Northern Illinois University Foundation (the "Foundation") was established in 1949 as an independent, privately governed not-for-profit corporation chartered under the laws of the State of Illinois.

The Foundation's mission is to energize and connect the private sector with the Northern Illinois University (NIU) community to secure and steward resources that support the future and growth of NIU. The Foundation fulfills this mission primarily through communications, engagement, fundraising, and asset management functions. The Foundation communicates with and engages alumni and friends; solicits and accepts donations of property, money, and securities; and invests and administers such assets. The Foundation disburses funds in accordance with the terms under which they were given to aid, supplement, improve, and enlarge the educational, cultural, recreational, and research activities and facilities of NIU. More detailed information regarding the Foundation and its charitable activities can be obtained from the Foundation's website at www.niufoundation.org.

In November 2019, the Foundation authorized the formation of a subsidiary for real estate. In June 2020, the Foundation authorized the formation of a subsidiary related to travel program activities. Both the NIU Real Estate Foundation and the Alumni Association Travel Program, LLC are consolidated into the Foundation.

A breakdown of activity for both subsidiaries is included in Note 9.

Note 2 - Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of the Foundation have been prepared on the basis of generally accepted accounting principles (GAAP).

Principles of Consolidation

The financial statements include the accounts of the Foundation and both of its subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Classification of Net Assets

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

Net assets with donor restrictions: Net assets 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, where the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Use of Estimates

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

Note 2 - Significant Accounting Policies (Continued)

Cash Equivalents

For the purpose of the accompanying financial statements, the Foundation considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The Foundation maintains its cash in banks that at times may exceed federally insured limits. The Foundation has not experienced any losses.

Investments

The Foundation's investments are reported at fair value. Donated investments are reflected as contributions at their fair values at the date the donor relinquishes control. Gain or loss on the sale of investments is computed using the specific recorded costs of each security on the trade date. Redemptions recorded by not yet received are recorded in other receivables on the consolidated statement of financial position. Investment income is recorded on the accrual basis and is reported in the consolidated statement of activities and changes in net assets.

The Foundation's investments are exposed to various risks, such as interest rate, credit risk, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term and could materially affect the amounts reported in the consolidated statement of financial position.

Alternative investments, composed primarily of hedge funds and limited partnerships that are not readily marketable, are measured at fair value, valued at net asset value (NAV) per share as the practical expedient. The Foundation reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and significant assumptions used in determining fair value. Those estimated fair values may differ significantly from the values that would have been used had a ready market existed for these securities.

Student Managed Portfolio

The Foundation sponsors two programs that provide students with experience managing live investments. The Student Managed Portfolio program is a competitive-entry class where, under the oversight of a faculty advisor, students act as fiduciaries and manage a portfolio of equity investments within the endowment fund and interact with the Foundation for real-world client interaction experiences. Through these programs, the Foundation provides valuable real-life experiences to further students' education. Investments within The Student Managed Portfolio are recorded at fair value.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation. Assets are depreciated over their estimated useful lives. Costs of maintenance and repairs are charged to expense when incurred.

Long-lived Asset Impairment

The Foundation evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value, and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended June 30, 2026 and 2025.

Note 2 - Significant Accounting Policies (Continued)

Contributions

Unconditional promises to give cash and other assets to the Foundation are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift becomes unconditional or is received. The gifts are reported as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Pledge receivables 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-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. An allowance for uncollectible contributions is provided when evidence indicates amounts promised by donors may not be collectible.

Conditional promises to give are not recognized as revenue until barriers prescribed by the pledge agreements are overcome. The Foundation records cash received in advance of meeting conditions as a refundable advance on the consolidated statement of financial position. As of June 30, 2026 and 2025, there were no conditional promises to give.

Contributed Services

Contributions of services are recognized as revenue at their estimated fair value when the services received required specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. Contributions of services include services received from skilled personnel from NIU. Contribution revenue recognized from contributed services totaled $4,861,445 and $5,130,142 for the years ended June 30, 2026 and 2025, respectively.

Functional Allocation of Expenses

The costs of providing various program and other services have been reported on a functional basis in the consolidated statements of activities and changes in net assets and functional expenses. Costs are charged to program services and support services on an actual basis when available. In addition, costs may be allocated between the program function, including scholarships, and support function based on various methods and estimates. Allocations for personnel expenses are based on estimates of time and effort of personnel involved in each function. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Program expenses include activities relating to the purpose of the Foundation's mission. Examples of activities included in program expenses are alumni engagement, travel programs, real estate, student advocacy, and NIU-related communications.

Support service expenses are activities other than program services that include management and general activities and fundraising activities. Management and general activities include oversight, business management, and administrative activities; specific examples include, but are not limited to, portions of salaries, committee and staff meetings, legal expenses, accounting and auditing expense, and office management. Fundraising activities include activities related to fundraising campaigns; specific examples include, but are not limited to, fundraising publicity, soliciting bequests, preparing and distributing fundraising literature, and special events.

Note 2 - Significant Accounting Policies (Continued)

Agency - Endowment and Gift Accounts Administered for NIU

According to the services agreement, the Foundation administers and manages gifts and gift balances for funds owned by NIU. Gifts are owned by NIU when the gift instrument names NIU and not the Foundation. The result is cost efficiency and investment effectiveness, and all gifts are managed to the same standard of care.

The Foundation adopted the accounting treatment prescribed by generally accepted accounting principles, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others*, and, accordingly, records the funds received on behalf of others as a liability.

Travel Deposits

Deposits are collected prior to the start date of various alumni trips and are recorded as travel deposits in the consolidated statement of financial position. The funding received is used to fund the associated travel-related costs, which are paid before and after the trip takes place.

Endowment Spending Allocation and Fee

The endowment spending policy adopted by the Foundation's board of directors (the "Board"), in conjunction with the strategic asset allocation policy for the long-term pooled investment portfolio, is designed to provide reliable growth in annual spending allocation levels and to preserve or increase the real value of the endowment principal over time. To meet these objectives, the Foundation utilizes a total return investment approach, with total return consisting of interest and dividends and realized and unrealized gains and losses, net of investment management fees.

The annual spending is currently 4 percent of the three-year average fund balance.

The Foundation's endowment spending allocation policy was enacted in accordance with the Illinois State Prudent Management of Institutional Funds Act (SPMIFA). SPMIFA considers prudence in maintaining an endowment fund in perpetuity.

The Foundation expects the spending allocation and endowment fee policies to allow endowments to grow, on average, at least at the annualized rate of inflation. This is consistent with the Foundation's objective of providing resources for the underlying purposes of endowment assets over the life of the endowments and to provide additional growth through new gifts and investment return.

In addition, an endowment fee is assessed to fund expenses incurred in meeting the Foundation's fiduciary and fundraising responsibilities. This annual fee is also assessed based on market value at a rate of 2.0 percent. A 1.0 percent special assessment for the campaign is also in effect for fiscal years 2025 through 2028.

Income Taxes

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including October 5, 2026, which is the date the financial statements were available to be issued.

Note 3 - Investments

The details of the Foundation's investments and the Student Managed Portfolio at June 30 are as follows:

	2026	2025
U.S. Treasury securities	$ -	$ 24,795
Equity:		
Domestic equity - Large/Mid cap	45,472,882	38,433,469
Domestic equity - Small cap	5,713,923	7,383,844
International equity	24,808,135	25,115,769
Hedge funds and mutual funds:		
Hedged strategies	12,752,064	10,732,837
Public real assets	11,151,200	11,884,475
Public fixed income	56,852,880	50,867,237
Private equity funds:		
Private equity	12,723,376	10,500,764
Private debt	3,652,431	4,124,936
Private natural resources	6,791,764	5,638,559
Private real estate	6,121,863	5,561,473
Land	1,704,000	1,704,000
Total	187,744,518	171,972,158
Funds held in trust by others	11,439,547	11,311,444
Total	$ 199,184,065	$ 183,283,602

Total investment income for the years ended June 30 is summarized as follows:

	2026	2025
Interest and dividend income	$ 5,777,210	$ 4,997,180
Net realized and unrealized gains on investments reported at fair value	22,349,357	13,234,403
Investment fees	(979,069)	(591,108)
Total	$ 27,147,498	$ 17,640,475

The Foundation's Board is responsible for the management of the Foundation's investments. The investment committee formulates an investment policy for funds and assets of the Foundation, provides that policy to the Board for approval, periodically recommends changes in policy as appropriate, interprets the policy to the Foundation's investment managers, and oversees implementation of that policy. Investment performance is reviewed regularly by the investment committee. There are two primary investment strategies that are executed in different investment pools.

Endowed funds and funds initially received as expendable, but board designated as endowment, are invested with a long-term horizon. Expendable gift funds are invested with an intermediate-term strategy based upon historical patterns of usage.

In fulfilling its responsibilities, the Board has contracted with an independent investment advisory firm and a number of investment management firms to execute the strategy it has established.

Note 3 - Investments (Continued)

The Foundation's permissible investment categories include the following:

- Cash equivalents
- Equities
- Fixed-income securities
- Hedge funds
- Equity real estate
- Real assets
- Venture capital/Private equity

Note 4 - Fair Value Measurements

Accounting standards require certain assets and liabilities to be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Note 4 - Fair Value Measurements (Continued)

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at June 30, 2026 and 2025 and the valuation techniques used by the Foundation to determine those fair values:

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2026				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	Balance at June 30, 2026
Assets					
Equity:					
Domestic equity - Large/Mid cap	$ 45,472,882	$ -	$ -	$ -	$ 45,472,882
Domestic equity - Small cap	5,713,923	-	-	-	5,713,923
International equity	23,261,916	-	-	1,546,219	24,808,135
Hedge funds and mutual funds					
Hedged strategies	-	-	-	12,752,064	12,752,064
Public real assets	5,987,808	-	-	5,163,392	11,151,200
Public fixed income	56,852,880	-	-	-	56,852,880
Private equity funds:					
Private equity	-	-	-	12,723,376	12,723,376
Private debt	36,341	-	-	3,616,090	3,652,431
Private natural resources	-	-	-	6,791,764	6,791,764
Private real estate	-	-	-	6,121,863	6,121,863
Subtotal	137,325,750	-	-	48,714,768	186,040,518
Funds held in trust by others - Domestic equity - Large/Mid cap	11,439,547	-	-	-	11,439,547
Total assets	$ 148,765,297	$ -	$ -	$ 48,714,768	$ 197,480,065

Note 4 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2025				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	Balance at June 30, 2025
Assets					
U.S. Treasury securities	$ -	$ 24,795	$ -	$ -	$ 24,795
Equity:					
Domestic equity - Large/Mid cap	38,433,469	-	-	-	38,433,469
Domestic equity - Small cap	7,383,844	-	-	-	7,383,844
International equity	23,906,762	-	-	1,209,007	25,115,769
Hedge funds and mutual funds:					
Hedged strategies	-	-	-	10,732,837	10,732,837
Public real assets	4,850,133	-	-	7,034,342	11,884,475
Public fixed income	50,867,237	-	-	-	50,867,237
Private equity funds:					
Private equity	-	-	-	10,500,764	10,500,764
Private debt	-	-	-	4,124,936	4,124,936
Private natural resources	-	-	-	5,638,559	5,638,559
Private real estate	-	-	-	5,561,473	5,561,473
Subtotal	125,441,445	-	-	44,801,918	170,243,363
Funds held in trust by others - Domestic equity - Large/Mid cap	11,311,444	-	-	-	11,311,444
Total assets	$ 136,752,889	$ 24,795	$ -	$ 44,801,918	$ 181,579,602

Not included in the tables above is an investment in land recorded at cost of $1,704,000 as of June 30, 2026 and 2025.

Investments in Entities that Calculate Net Asset Value per Share

The Foundation holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on net asset value per share of the investment company.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Investments Held at June 30, 2026	
	Fair Value	Unfunded Commitments
Hedge funds and alternative investments	$ 12,532,032	$ -
Private equity funds and international equity	36,182,736	12,169,507
Total	$ 48,714,768	$ 12,169,507

Note 4 - Fair Value Measurements (Continued)

	Investments Held at June 30, 2025	
	Fair Value	Unfunded Commitments
Hedge funds and alternative investments	$ 17,767,179	$ -
Private equity funds and international equity	27,034,739	7,514,853
Total	$ 44,801,918	$ 7,514,853

The hedge fund and alternative investments class includes investments in funds that invest in multiple limited partnerships with various investment strategies and long and short positions in equity securities of companies within the United States of America (U.S.) and outside of the U.S. These funds can be redeemed daily, monthly, quarterly, annually, or biennially, depending on the partnership agreement, within redemption notice periods of one day to four months.

The private equity funds and international equity class includes funds that invest in the following types of investments in the U.S. and outside the U.S. venture capital partnerships, buyout partnerships, mezzanine/subordinated debt partnerships, restructuring/distressed debt partnerships and special situation partnerships, and real estate. These investments cannot be redeemed during the life of the partnership, which can be up to 12 years; however, they can be transferred to another eligible investor. Distributions will be received as the underlying investments of the funds are liquidated over time. The fair value of this investment has been estimated using the NAV provided by the fund manager and an adjustment determined by management for the time period between the date of the last available NAV from the investment manager and June 30, 2026 and 2025.

Note 5 - Pledges Receivable

Included in pledges receivable are several unconditional promises to give. They are included as follows as of June 30:

	2026	2025
Amounts due in:		
Less than one year	$ 15,170,625	$ 11,793,523
One to five years	12,520,279	24,645,155
More than five years	782,000	425,000
Pledges receivable - Gross	28,472,904	36,863,678
Less allowance for uncollectible contributions	(881,374)	(1,112,710)
Less allowance for net present value discount (at 3.81 percent at June 30, 2026 and 2025)	(2,102,243)	(2,889,891)
Pledges receivable - Net	$ 25,489,287	$ 32,861,077

Note 6 - Property and Equipment

Property and equipment are summarized as follows:

	2026	2025	Depreciable Life - Years
Land	$ 3,936,457	$ 3,936,457	-
Building and building improvements	248,082	235,832	15-40
Furniture and fixtures	317,814	303,220	5
Construction in progress	760,153	465,498	-
Total cost	5,262,506	4,941,007	
Accumulated depreciation	245,116	195,985	
Net property and equipment	$ 5,017,390	$ 4,745,022	

Depreciation expense for 2026 and 2025 was $49,131 and $45,759, respectively.

Note 7 - Funds Held in Trust and Remainder Interest Due to Others

The Foundation administers various charitable remainder trusts. A charitable remainder trust provides for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (usually the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets are available for the Foundation's use. Assets held in the charitable remainder trusts are recorded at fair value of $11,439,547 and $11,311,444 as of June 30, 2026 and 2025, respectively, and are included with investments on the consolidated statement of financial position. The Foundation has recorded a liability at June 30, 2026 and 2025 of $235,136 and $441,178, respectively, which represents the present value of the future obligations to make distributions to the designated beneficiaries. On an annual basis, the Foundation revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments is calculated using a discount rate of 5.0 percent as of 2026 and 2025 and applicable mortality tables. The portion of the trust attributable to the future interest of the Foundation was recorded in the consolidated statement of activities and changes in net assets as contributions with donor restrictions in the period the trust was established.

Note 8 - Net Assets

Net assets without donor restrictions consist of the following as of June 30:

	2026	2025
Board-designated net assets:		
Board designated for programs and operations	$ 19,000,000	$ -
Board designated for grants	5,310,197	303,170
Board-designated endowments - Operating	5,617,317	3,122,143
Board-designated endowments - Scholarships	523,008	-
Board designated invested in property and equipment	5,017,392	4,745,022
Total board-designated net assets	35,467,914	8,170,335
Undesignated net assets	2,516,576	24,024,192
Total unrestricted net assets	$ 37,984,490	$ 32,194,527

Note 8 - Net Assets (Continued)

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2026	2025
Subject to expenditures for a specified purpose:		
University departments and programs	$ 44,308,914	$ 42,068,632
Scholarships	15,680,254	15,326,693
Subtotal	59,989,168	57,395,325
Endowment gifts and earnings subject to expenditure for a specific purpose:		
University departments and programs	73,990,330	63,717,209
Scholarships	75,696,922	64,595,283
Available for general use	61,522	53,160
Subtotal	149,748,774	128,365,652
Total net assets with donor restrictions	$ 209,737,942	$ 185,760,977
Purpose restrictions accomplished:		
University departments and programs	$ 6,766,303	$ 7,025,673
Scholarships	4,772,604	3,618,447
Endowment administrative fee	3,651,827	3,142,228
Investment income appropriated for spending	3,471,729	2,893,054
Total net assets released from restrictions	$ 18,662,463	$ 16,679,402

Note 9 - Subsidiaries

The Foundation has two subsidiaries: NIU Real Estate Foundation and Alumni Association Travel Program LLC.

Included in the consolidated statements of financial position, activities and changes in net assets, and functional expenses are the following balances and activities related to the Foundation's subsidiaries as of and for the years ended June 30:

	2026		2025	
	NIU Real Estate Foundation	Alumni Association Travel Program LLC	NIU Real Estate Foundation	Alumni Association Travel Program LLC
Assets	$ 228,820	$ 94,235	$ 270,500	$ 87,309
Liabilities	(10,417)	(2,821)	(6,131)	(2,280)
Net assets	218,403	91,414	264,369	85,029
Revenue	-	35,669	-	280,722
In-kind service revenue	-	43,401	-	90,000
Expenses	(73,852)	(72,685)	(1,812)	(366,850)
Change in net assets	(73,852)	6,385	(1,812)	3,872
Capital contributions from the Foundation	251,387	-	223,500	-
Beginning net assets	40,868	85,029	42,681	81,157
Ending net assets	$ 218,403	$ 91,414	$ 264,369	$ 85,029

Note 10 - Endowment

The Foundation's endowment consists of approximately 637 individual funds established for a variety of purposes plus endowment pledges receivable and split-interest agreements. The endowment includes donor-restricted endowment funds, funds designated by the Board to function as endowments, and donor-restricted funds designated by the Board to act as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Foundation is subject to the Illinois State Prudent Management of Institutional Funds Act and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of directors appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of directors of the Foundation has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law; however, foundation policy does not permit spending of underwater funds unless directed by donor agreement. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation 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 Foundation
- The investment policies of the Foundation

Endowment net asset composition by type of fund as of June 30 was as follows:

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 6,140,325	$ -	$ 6,140,325	$ 3,122,143	$ -	$ 3,122,143
Donor-restricted endowment funds:						
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	90,650,295	90,650,295	-	85,242,894	85,242,894
Accumulated investment gains	-	59,103,201	59,103,201	-	43,122,758	43,122,758
Total	$ 6,140,325	$ 149,753,496	$ 155,893,821	$ 3,122,143	$ 128,365,652	$ 131,487,795

Note 10 - Endowment (Continued)

Changes in endowment net assets for the years ended June 30 were as follows:

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	$ 3,122,142	$ 128,365,653	$ 131,487,795	$ 2,929,098	$ 105,049,657	$ 107,978,755
Investment return:						
Investment income	83,803	2,145,992	2,229,795	164,030	5,836,704	6,000,734
Net appreciation (realized and unrealized)	667,041	17,419,396	18,086,437	158,278	5,626,157	5,784,435
Total investment return	750,844	19,565,388	20,316,232	322,308	11,462,861	11,785,169
Contributions	361,000	5,396,973	5,757,973	-	17,892,443	17,892,443
Endowment spending allocation	(110,926)	(3,858,999)	(3,969,925)	(111,300)	(3,547,348)	(3,658,648)
Endowment administrative fee	(132,735)	(3,519,092)	(3,651,827)	(17,963)	(3,129,692)	(3,147,655)
Reinvestment of spending accumulations	-	298,278	298,278	-	637,731	637,731
Transfers into endowment	2,150,000	3,505,295	5,655,295	-	-	-
Endowment net assets - End of year	$ 6,140,325	$ 149,753,496	$ 155,893,821	$ 3,122,143	$ 128,365,652	$ 131,487,795

Endowment assets are long term in nature and managed as such on a total return basis. There are certain short-term considerations in constructing the endowment investment portfolio, such as spending allocations and annual operating support. However, the assets can tolerate a reasonable level of short-term volatility in the interest of maximizing long-term performance. In order to attain the varied investment objectives, a proper balance must be achieved between return and risk. With a proper risk/return profile, the Foundation believes maintaining real purchasing power of the spending allocation and meeting annual funding needs can be achieved over time through the asset allocation and spending policies adopted by the Board.

The Foundation utilizes a diversified asset allocation consisting of growth strategies (primarily equity-based investments), inflation-hedging strategies to protect against inflation and provide purchasing power (strategies with significant correlations to inflation), and risk-minimizing strategies to reduce volatility and preserve capital (fixed-income and other strategies with low correlations to equities). Investment returns are achieved through capital appreciation (realized and unrealized) and current yield (interest and dividends).

Note 10 - Endowment (Continued)

Endowment in agency funds are assets received and held on behalf of NIU, which are managed and commingled as part of the overall investment portfolio. Changes in endowment in agency funds for the years ended June 30 were as follows:

	Changes in Endowment in Agency Funds	
	2026	2025
Endowment net assets - Beginning of year	$ 7,265,880	$ 6,793,060
Investment return:		
Investment income	136,460	380,553
Net appreciation (realized and unrealized)	1,091,631	369,809
Total investment return	1,228,091	750,362
Contributions	4,845	8,161
Endowment spending allocation	(226,066)	(191,900)
Reinvestment of spending accumulations	(327,113)	111,448
Endowment administrative fee	(223,526)	(205,251)
Endowment net assets - End of year	$ 7,722,111	$ 7,265,880

Note 11 - NIU Support

The Foundation makes payments on behalf of, or directly to, NIU in support of NIU's mission. Such amounts are classified as program support on the consolidated statement of activities and changes in net assets. There are two primary sources of foundation funds available to NIU: charitable gifts contributed to the Foundation that are immediately available for expenditure and spending allocation from the accumulated investment earnings of individual endowment funds (see Note 10). Additionally, the Foundation makes grants from funds without donor restrictions. Total expenses by the Foundation in support of NIU in accordance with the donated purpose were $14,689,373 and $14,613,532 for the years ended June 30, 2026 and 2025, respectively. Fluctuations in spending are driven by the Foundation's current availability of support and the needs of NIU.

Note 12 - Transactions with NIU and the State of Illinois

The Foundation was formed for the purpose of providing fundraising services and other assistance to NIU to attract private gifts to support NIU's instructional, research, and public services activities. In this capacity, the Foundation solicits, receives, holds, and stewards gifts for the benefit of NIU.

The Foundation has entered into a contract with the board of trustees of NIU, which specifies the relationship between the two organizations in accordance with the Legislative Audit Commission's University Guidelines, 1982, and last amended in 2023. Among the provisions of the contract is a requirement that the Foundation and NIU will provide services to each other to be reimbursed on an actual basis up to approved budgetary limits. The Foundation provides fundraising services for the benefit of NIU. The contract requires NIU to provide services up to specified limits and to provide other support, as described below. These amounts are reflected in the contributed services in-kind revenue item. These expenses have been allocated among the expenses on the accompanying consolidated statements of activities and changes in net assets and functional expenses.

Note 12 - Transactions with NIU and the State of Illinois (Continued)

NIU provides certain services for which no separate charges will be assessed. Such services will include, but not be limited to, routine business, fundraising, and financial services on a regular or ad hoc basis. It will also include limited information technology services and limited human resource services. The estimated value of such services was $4,861,445 and $5,130,142 for the years ended June 30, 2026 and 2025, respectively, and is reflected on the consolidated statement of activities and changes in net assets as revenue, with a corresponding expense. The Foundation is required to recognize as revenue and expense those on-behalf payments for pension benefits made by the State of Illinois (the "State") for NIU employees who are supervised by the Foundation. These payments charged to the Foundation totaled $584,903 and $621,286 for the years ended June 30, 2026 and 2025, respectively, and are included in the amounts shown as allocation from NIU and as salaries and benefits expense.

Additionally, the contract requires NIU to pay to the Foundation $743,600 annually, as the Foundation solicits and accepts contributions for the benefit of NIU in accordance with its corporate purposes. Contributions are recorded as revenue and held in a restricted net asset class until the funds are used in the form of scholarships, cash grants, or expenditures for the benefit of NIU. The Foundation also receives contributions of certain noncash assets, which are recorded as revenue and then, at the Foundation's discretion, transferred to NIU.

The contract also calls for the Foundation to act as NIU's agent in managing its endowed assets and certain other donor-restricted gifts made directly to NIU. The endowments are invested in a manner consistent with the Foundation's endowments. The Foundation has elected to include these amounts in the related investment portfolio on the consolidated statement of financial position, with an offsetting liability. Funds managed for NIU had a fair value of $14,474,567 and $13,303,110 at June 30, 2026 and 2025, respectively.

Other transactions between the Foundation and NIU include the following as of and for the year ended June 30:

- The Foundation obtained certain goods and services (supplies, telephone, printing, etc.) during the year through NIU, for which the Foundation reimbursed NIU at cost.

A summary of all transactions that occurred between the Foundation and NIU as of and for the years ended June 30 are as follows:

	2026			2025		
	Due to NIU	Revenue	Expenses	Due to NIU	Revenue	Expenses
Accounts payable and other liabilities	$ 3,109,333	$ -	$ -	$ 2,403,795	$ -	$ -
Agency funds payable	14,474,567	-	-	13,303,110	-	-
In-kind service contribution	-	4,861,445	-	-	5,130,142	-
Services contract revenue	-	743,600	-	-	743,600	-
Program expenses	-	-	1,365,603	-	-	1,415,714
Fundraising expenses	-	-	2,631,445	-	-	2,833,981
Management expenses	-	-	864,397	-	-	880,987
Total	$ 17,583,900	$ 5,605,045	$ 4,861,445	$ 15,706,905	$ 5,873,742	$ 5,130,682

Note 13 - Related Party Transactions

The following is a description of transactions between the Foundation and related parties:

Members of the board of directors of the Foundation and board of trustees of NIU enthusiastically support the Foundation's efforts through their valuable service, generous gift support, and other means. Board members provided gift support totaling $675,087 and $226,611 for the years ended June 30, 2026 and 2025, respectively, and are responsible for $1,947,333 and $2,158,733 of the outstanding pledge balance at June 30, 2026 and 2025, respectively.

In addition to direct support, board members have provided other valuable services and support to the Foundation.

Note 14 - Retirement Plans

The Foundation contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiemployer defined benefit retirement plan with a special funding situation whereby the State of Illinois makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established on July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the State's financial reports as a pension trust fund. SURS is governed by Section 5/15, Chapter 40 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org. The Foundation's contributions to the plans totaled $106,391 and $92,246 for the years ended June 30, 2026 and 2025, respectively.

Note 15 - Conditional Commitments

The Foundation has made conditional commitments for scholarships in the amount of $2,125,027 and $1,902,267 payable through the years ended June 30, 2026 and 2025, respectively.

Note 16 - Liquidity and Availability of Resources

The following reflects the Foundation's financial assets available within one year for general expenditure:

	2026		2025	
	Financial Assets	Liquid Financial Assets	Financial Assets	Liquid Financial Assets
Cash and cash equivalents	$ 29,736,937	$ 29,736,937	$ 14,139,300	$ 14,139,300
Pledges receivable - Net	25,489,287	14,993,258	32,861,077	11,793,523
Investments	176,601,134	32,917,638	162,253,693	52,071,508
Endowment management fee	4,340,000	4,340,000	3,800,000	3,800,000
Endowment spending allocation	4,630,480	4,630,480	4,175,900	4,175,900
Student Managed Portfolio	2,172,904	2,172,904	1,742,565	1,742,565
Funds held in trust by others	11,439,547	1,205,622	11,311,444	-
Other accounts receivable	7,347,733	7,347,733	4,011	4,011
Cash surrender value of life insurance	22,106	-	21,867	-
Total	$ 261,780,128	$ 97,344,572	$ 230,309,857	$ 87,726,807

Note 16 - Liquidity and Availability of Resources (Continued)

The Foundation regularly monitors liquidity to support spending for operations, grants, and other mission-related activities, as well as to meet the distribution requirements of net assets with donor restrictions. Significant contributions with donor restrictions for current spending are received annually. These are included in financial assets available for meeting cash needs for general and restricted expenditures. For the years ended June 30, 2026 and 2025, operating contributions of $9,917,542 and $13,824,474, respectively, were added to financial assets available to meet cash needs for general and purpose-restricted expenditures within one year.

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the Board as unrestricted endowments. Annual spending from donor-restricted endowments is restricted for specific purposes. Actual gift amounts of donor-restricted endowment funds are not available for general expenditure, as they are permanently restricted with only annual allocations of income becoming expendable.

The board-designated endowment without donor restrictions of $6,140,324 and $3,122,143 as of June 30, 2026 and 2025, respectively, is subject to an annual spending rate, currently 4 percent of the three-year average fund balances, as described in Note 2. Additionally the board designated $24,310,197 and $303,170 for program operations and grants as of June 30, 2026 and 2025, respectively, as described in Note 8. Although the Foundation does not intend to spend from this board-designated amounts (other than amounts appropriated for general expenditure as part of the Board's annual budget approval process), these amounts could be made available if necessary.

The Foundation manages its liquidity by operating within a prudent range of financial soundness and stability. The Foundation maintains adequate cash and short-term investments to provide reasonable assurance that current obligations will be discharged.