

SPECIAL EDUCATION FOUNDATION
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
YEARS ENDED JUNE 30, 2025 AND 2024

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Independent Auditor's Report

To the Board of Directors of
Special Education Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Special Education Foundation, (a not-for-profit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Special Education Foundation, as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Special Education Foundation 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 these 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 Special Education Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 Special Education 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 Special Education 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.



Holt & Patterson, LLC
Chesterfield, MO

January 5, 2026

SPECIAL EDUCATION FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 67,127	\$ 257,907
Investments, at fair value	619,993	565,605
Pledges receivable	3,413	14,740
Prepaid expenses	10,000	-
	<u>10,000</u>	<u>-</u>
Total Assets	<u>\$ 700,533</u>	<u>\$ 838,252</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 9,026	\$ 71,200
Deferred revenue	84,583	91,020
Refundable advances	58,932	85,659
Line of credit	30,000	-
	<u>30,000</u>	<u>-</u>
Total Liabilities	182,541	247,879
Net Assets		
With donor restrictions:		
Purpose restricted	66,932	89,830
Total net assets with donor restrictions	<u>66,932</u>	<u>89,830</u>
Without donor restrictions:		
Undesignated	451,060	500,543
Total net assets with donor restrictions	<u>451,060</u>	<u>500,543</u>
Total Net Assets	<u>517,992</u>	<u>590,373</u>
Total Liabilities and Net Assets	<u>\$ 700,533</u>	<u>\$ 838,252</u>

SPECIAL EDUCATION FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains:			
Fundraising events	\$ 373,543	\$ -	\$ 373,543
Less: Costs of direct benefits to donors	(57,584)	-	(57,584)
Net revenue from fundraising events	315,959	-	315,959
Contributions	64,731	-	64,731
Grants	18,000	170,900	188,900
Investment return, net	76,551	1,360	77,911
Net assets released from restrictions:			
Satisfaction of time and usage restrictions	195,158	(195,158)	-
Total Revenues, Support, and Gains	670,399	(22,898)	647,501
Expenses:			
Program Services	399,557	-	399,557
Supporting Activities:			
Management and general	128,217	-	128,217
Fundraising	192,108	-	192,108
Total Supporting Activities	320,325	-	320,325
Total Expenses	719,882	-	719,882
Change in Net Assets	(49,483)	(22,898)	(72,381)
Net Assets, Beginning of Year	500,543	89,830	590,373
Net Assets, End of Year	\$ 451,060	\$ 66,932	\$ 517,992

SPECIAL EDUCATION FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains:			
Fundraising events	\$ 386,296	\$ -	\$ 386,296
Less: Costs of direct benefits to donors	(60,450)	-	(60,450)
Net revenue from fundraising events	325,846	-	325,846
Contributions	48,754	-	48,754
Grants	21,855	91,986	113,841
Investment return, net	65,802	1,049	66,851
Net assets released from restrictions:			
Satisfaction of time and usage restrictions	52,130	(52,130)	-
Total Revenues, Support, and Gains	514,387	40,905	555,292
Expenses:			
Program Services	344,857	-	344,857
Supporting Activities:			
Management and general	130,979	-	130,979
Fundraising	205,586	-	205,586
Total Supporting Activities	336,565	-	336,565
Total Expenses	681,422	-	681,422
Change in Net Assets	(167,035)	40,905	(126,130)
Net Assets, Beginning of Year	667,578	48,925	716,503
Net Assets, End of Year	\$ 500,543	\$ 89,830	\$ 590,373

**SPECIAL EDUCATION FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025**

	Total Program Services	Supporting Activities			Total Expenses
		Management and General	Fundraising	Total	
Salaries and wages	\$ 82,138	\$ 63,491	\$ 103,028	\$ 166,519	\$ 248,657
Payroll taxes	6,284	4,739	7,881	12,620	18,904
Employee benefits	16,162	8,977	17,158	26,135	42,297
Payroll expenses	104,584	77,207	128,067	205,274	309,858
Arts in the classroom	11,890	-	-	-	11,890
Autism independence	10,460	-	-	-	10,460
Bank fees	-	320	6,950	7,270	7,270
Classroom innovation and critical needs	72,767	-	-	-	72,767
Fundraising events expenses	-	85	50,343	50,428	50,428
Grant writing	20,000	-	-	-	20,000
Insurance	-	5,811	-	5,811	5,811
Leadership academy	24,301	5	-	5	24,306
Lease expenses	1,514	2,019	1,514	3,533	5,047
Market outreach	-	2,179	-	2,179	2,179
Meetings and subscriptions	-	2,386	179	2,565	2,565
Mobility project	39,866	-	-	-	39,866
Office expenses	149	1,946	125	2,071	2,220
Other expenses	-	174	-	174	174
Printing	368	5,016	-	5,016	5,384
Professional fees	-	22,811	-	22,811	22,811
Professional development and training	-	2,998	50	3,048	3,048
Scholarships and camperships	62,683	-	-	-	62,683
Special equipment	38,351	-	-	-	38,351
Technology	10,650	3,489	4,880	8,369	19,019
Travel	1,974	1,771	-	1,771	3,745
Total Expenses	\$ 399,557	\$ 128,217	\$ 192,108	\$ 320,325	\$ 719,882

See Independent Auditor's Report and Notes to Financial Statements

**SPECIAL EDUCATION FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Total Program Services	Supporting Activities			Total Expenses
		Management and General	Fundraising	Total	
Salaries and wages	\$ 77,605	\$ 61,305	\$ 99,140	\$ 160,445	\$ 238,050
Payroll taxes	5,937	4,542	7,584	12,126	18,063
Employee benefits	12,569	8,260	13,214	21,474	34,043
Payroll expenses	96,111	74,107	119,938	194,045	290,156
Adaptive equipment	20,902	-	-	-	20,902
Arts in the classroom	2,725	-	-	-	2,725
Autism independence	4,540	-	-	-	4,540
Bank fees	-	423	4,973	5,396	5,396
Classroom innovation and critical needs	73,653	-	-	-	73,653
Fundraising events expenses	-	-	70,138	70,138	70,138
Grant writing	20,000	-	-	-	20,000
Hearing aids	23,831	-	-	-	23,831
Insurance	-	5,154	-	5,154	5,154
Leadership academy	20,774	-	-	-	20,774
Lease expenses	3,600	4,800	3,600	8,400	12,000
Market outreach	-	13,121	-	13,121	13,121
Meetings and subscriptions	54	2,300	41	2,341	2,395
Office expenses	76	1,814	539	2,353	2,429
Other expenses	-	50	-	50	50
Printing	221	2,156	1,513	3,669	3,890
Professional fees	-	15,145	-	15,145	15,145
Professional development and training	113	2,871	277	3,148	3,261
Scholarships and camperships	64,261	-	-	-	64,261
Technology	12,575	6,512	4,266	10,778	23,353
Travel	1,421	2,526	301	2,827	4,248
Total Expenses	\$ 344,857	\$ 130,979	\$ 205,586	\$ 336,565	\$ 681,422

See Independent Auditor's Report and Notes to Financial Statements

SPECIAL EDUCATION FOUNDATION
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	\$ (72,381)	\$ (126,130)
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Realized (gain) loss from investments	(23,080)	(35,314)
Unrealized (gain) loss from investments	(51,525)	(30,183)
(Increase) decrease in operating assets:		
Pledges receivable	(11,327)	(7,250)
Prepaid expenses	10,000	-
(Decrease) increase in operating liabilities:		
Accounts payable	(62,174)	62,098
Deferred revenue	(6,437)	22,785
Refundable advances	(26,727)	(35,184)
Net cash flows from operating activities	<u>(243,651)</u>	<u>(149,178)</u>
Cash Flows from Investing Activities		
Purchase of investments	(414,995)	(388,277)
Sales of investments	437,866	428,567
Net cash flows from investing activities	<u>22,871</u>	<u>40,290</u>
Cash Flows from Financing Activities		
Draws on line of credit	30,000	-
Payments on line of credit	-	-
Net cash flows from financing activities	<u>30,000</u>	<u>-</u>
Net change in cash and cash equivalents	(190,780)	(108,888)
Cash and cash equivalents, beginning of year	<u>257,907</u>	<u>366,795</u>
Cash and cash equivalents, end of year	<u><u>\$ 67,127</u></u>	<u><u>\$ 257,907</u></u>

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Organization

Special Education Foundation (the "Foundation") is a not-for-profit organization whose mission is to assist students with disabilities to achieve success in their endeavors beyond the classroom. The Foundation's primary activities consist primarily of scholarships, camperships, mini grants for special education teachers, specialized assistive devices, and leadership programs.

Basis of Presentation

The accompanying financial *statements* have been prepared in accordance with the provisions of the Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

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

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations. Board designated funds are established by the Board of Directors and represent unrestricted net assets that have been set aside for various purposes.

Net asset with donor restrictions – Net assets subject to donor-imposed stipulations that may be met by actions of the Foundation and/or the passage of time, and/or net assets subject to donor-imposed stipulations required to be maintained permanently by the Foundation. The income earned on any related investments may be subject to donor-imposed stipulations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

Cash and Cash Equivalents

The Foundation considers all short-term investments with an original maturity of three months or less at the time of purchase to be cash and cash equivalents.

Investments

The Foundation carries investments at fair value with unrealized holding gains and losses included in earnings. Realized gains and losses are included in earnings and are derived using the specific identification method for determining the cost of securities sold. Dividend and interest income are recognized when earned.

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

Fair Value Measurements

The Foundation follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The three general valuation techniques used to measure fair value are the market approach, cost approach, and income approach.

Carrying amounts of certain financial instruments such as cash and cash equivalents, pledges receivable, prepaid expenses, accounts payable, deferred revenue, and refundable advances approximate fair value due to their short maturity or because the terms are similar to market terms. There have been no changes in the methodologies used at June 30, 2025.

Pledges Receivable

Pledges receivable consist of commitments by individuals of contributions and sponsorships for special events. Pledges receivable are the only financial assets held by the Foundation that are subject to ASC 326, *Financial Instruments – Credit Losses*. The Foundation has established an allowance for credit losses of \$- and \$- for the years ended June 30, 2025 and 2024, respectively, as all pledges receivable are fully collectible by the Foundation.

Property and Equipment

Property and equipment acquisitions with a life of three years or greater and a cost in excess of \$1,000 are capitalized and recorded at cost, while maintenance and repairs are expensed as incurred. Donated assets are recorded at fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose or period of time. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts. Any gain or loss arising from such disposition is included as income or expense in the year of disposition.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the life of the related asset or the term of the lease.

The estimated lives for computing depreciation and amortization on property and equipment are:

Classification	Years
Office Equipment	5 - 7

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 are 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, 2025.

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

Refundable Advances

Refundable advances are contributions received which include conditions which, at year-end, have not been met.

Support and Revenue

Contributions, including unconditional promises to give, are recorded as received. All contributions are available for unrestricted use unless specifically restricted by the donor. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Donor restricted contributions in which the restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. There was no donated equipment for the year ended June 30, 2025.

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Expense Allocation

The Foundation allocates expenses on a functional basis among various programs and supporting activities. Expenses that can be identified with a specific program and supporting activity are allocated directly according to their natural expenditure classifications. Other expenses that are common to several functions are allocated by various statistical bases. The expenses that are common to several functions include the following allocation methods:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and payroll taxes	Time and effort
Fundraising costs	Time and effort
Professional fees	Time and effort

Revenue Recognition

Contributions, including unconditional promises to give, are recorded as received. All contributions are available for unrestricted use unless specifically restricted by the donor. When a restriction expires, the net assets with donor restriction is reclassified to a net asset without donor restriction and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

Revenues are generally recognized when earned and realized or realizable, when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the price is fixed and determinable, and collectability is reasonably assured. The core principle of ASU 2014-09, *Revenue from Contracts with Customers (ASC 606)*, is that an entity should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 prescribes a five-step process to accomplish this core principle, including:

- (1) Identification of the contract with the customer;
- (2) Identification of the performance obligation(s) under the contract;
- (3) Determination of transaction price;
- (4) Allocation of the transaction price to the identified performance obligation(s); and
- (5) Recognition of revenue as (or when) an entity satisfied the identified performance obligation(s).

Fundraising events

Revenues are recognized on the gross amount received. The event occurs in the year in which the revenue is recognized. Therefore, any performance obligation associated with the event (event occurrence) has occurred prior to or as of year-end and the revenue is recognizable.

Contributions / Grants

Gifts received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"), except on net income derived from unrelated business activities as defined in the Code. Accordingly, the Foundation files as a tax-exempt organization and no provision for income taxes has been included in the accompanying financial statements.

The Foundation follows guidance issued by the FASB on accounting for income taxes and has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings, and believes that no provision for income taxes is necessary to cover any uncertain tax positions. The Foundation's returns for tax years 2022 and later remain subject to examination by taxing authorities.

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation's financial assets available within one year of the balance sheet date for general expenditure as of June 30, is as follows:

	2025	2024
Cash and cash equivalents	\$ 67,127	\$ 257,907
Investments	619,993	565,605
Pledges receivable	3,413	14,740
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year Total financial assets	<u>\$ 690,533</u>	<u>\$ 838,252</u>

The Foundation's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$195,000). As part of its liquidity plan, excess cash is held in the Foundation's checking account as needed. If cash on hand is not able to meet current obligations, the Foundation's investments, which are in mutual funds and are available for sale at any time, will be sold to cover any shortfall.

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into Levels 1, 2, and 3. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical instruments in active markets.
- Level 2 Inputs to the valuation methodology to include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, inputs other than quoted prices that are observable for the instrument, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The instruments' fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for instruments measured at fair value:

- Level 1 Instruments consist of equity stocks, mutual funds / exchange traded funds (ETFs), and U.S. Treasury bills. These securities are valued at the closing price reported on the active market where the individual securities are traded.

SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

The following table presents the fair value measurements of instruments recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements are categorized as of June 30, are as follows:

2025				
	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Investments				
Equity Stocks	\$ 407,894	\$ 407,894	\$ -	\$ -
Mutual Funds / ETFs	212,099	212,099	-	-
Total	<u>\$ 619,993</u>	<u>\$ 619,993</u>	<u>\$ -</u>	<u>\$ -</u>
2024				
	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Investments				
Equity Stocks	\$ 265,288	\$ 265,288	\$ -	\$ -
Mutual Funds / ETFs	181,464	181,464	-	-
U.S. Treasury Bills	118,853	118,853	-	-
Total	<u>\$ 565,605</u>	<u>\$ 565,605</u>	<u>\$ -</u>	<u>\$ -</u>

5. INVESTMENTS

A summary of the cost and fair value of the Foundation's investments as of June 30, are as follows:

2025			
	Amortized Cost	Unrealized Gains	Fair Value
Equity Stocks	\$ 298,135	\$ 109,759	\$ 407,894
Mutual Funds / ETFs	179,903	32,196	212,099
	<u>\$ 478,038</u>	<u>\$ 141,955</u>	<u>\$ 619,993</u>
2024			
	Amortized Cost	Unrealized Gains	Fair Value
Equity Stocks	\$ 194,076	\$ 71,212	\$ 265,288
Mutual Funds / ETFs	166,868	14,596	181,464
U.S. Treasury Bills	114,231	4,622	118,853
	<u>\$ 475,175</u>	<u>\$ 90,430</u>	<u>\$ 565,605</u>

6. LINE OF CREDIT

The Organization has an unsecured, revolving line of credit dated April 19, 2023 with a local bank for up to \$100,000. Borrowings against the line are charged interest equal to that of the Prime interest rate. The interest rate on the line will fluctuate based on movement of the Prime rate (the interest rate on the line at year-end was 7.5%). The line is collateralized by the Organization's assets. For the years ending June 30, 2025 and 2024 borrowings against the line were \$30,000 and \$-, respectively.

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	June 30,	
	2025	2024
Arts in the classroom	\$ 4,560	\$ 3,471
Autism independence	6,162	11,078
Classroom innovation grants	16,718	39,733
Leadership academy	2,584	-
Program	36,248	34,888
Other	660	660
	<u>\$ 66,932</u>	<u>\$ 89,830</u>

Changes in net assets with donor restrictions consist of the following:

For the Year Ended June 30, 2025				
	Balance June 30, 2024	Additions	Releases	Balance June 30, 2025
Subject to expenditure for specific purpose:				
Adaptive equipment	\$ -	\$ 54,565	\$ 54,565	\$ -
Arts in the classroom	3,471	12,979	11,890	4,560
Autism independence	11,078	5,813	10,729	6,162
Classroom innovation grants	39,733	28,867	51,882	16,718
Critical needs	-	16,084	16,084	-
Leadership academy	-	24,885	22,301	2,584
Program	34,888	1,360	-	36,248
Scholarships	-	27,707	27,707	-
Other	660	-	-	660
Total	<u>\$ 89,830</u>	<u>\$ 172,260</u>	<u>\$ 195,158</u>	<u>\$ 66,932</u>

For the Year Ended June 30, 2024				
	Balance June 30, 2023	Additions	Releases	Balance June 30, 2024
Subject to expenditure for specific purpose:				
Adaptive equipment	\$ 2,131	\$ 155	\$ 2,286	\$ -
Arts in the classroom	-	6,196	2,725	3,471
Autism independence	-	15,618	4,540	11,078
Classroom innovation grants	-	39,733	-	39,733
Critical needs	2,770	11,132	13,902	-
Leadership academy	9,525	52	9,577	-
Program	33,839	1,049	-	34,888
Scholarships	-	19,100	19,100	-
Other	660	-	-	660
Total	<u>\$ 48,925</u>	<u>\$ 93,035</u>	<u>\$ 52,130</u>	<u>\$ 86,830</u>

**SPECIAL EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

8. RISKS AND UNCERTAINTIES

Concentration of Credit Risk

Financial instruments, which potentially subject the Foundation to concentrations of credit risk, consist principally of cash and cash equivalents and investments. The Foundation maintains its cash primarily with one financial institution. Deposits at this bank are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At times during the year, the Foundation may have had deposits in excess of FDIC insurance limits. The Foundation incurred no losses during the year on balances held in excess of the limit.

The Foundation maintains its investments primarily with one brokerage firm. Securities held at this firm are insured by the Securities Investor Protection Corporation ("SIPC") up to \$500,000. At times during the year, the Foundation may have had deposits in excess of SIPC insurance limits. The Foundation incurred no losses during the year on balances held in excess of the limit.

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of financial position.

9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 5, 2026, the date the financial statements were issued. No subsequent events necessitating financial statement recognition or disclosure was noted.