

**The Association of Graduates of the  
United States Military Academy  
d/b/a West Point Association  
of Graduates**

Consolidated Financial Statements

December 31, 2025 and 2024

**The Association of Graduates of the United States Military Academy  
d/b/a West Point Association of Graduates**

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## **Independent Auditors' Report**

To the Board of Directors of  
West Point Association of Graduates

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the consolidated financial statements of Association of Graduates of the United States Military Academy, d/b/a West Point Association of the Graduates (the Association), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, and changes in net assets 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 Association as of December 31, 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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Association 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 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 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 Association'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 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 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 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 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 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 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 Association'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 Association'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.

*Baker Tilly US, LLP*

New York, New York  
April 28, 2026

**The Association of Graduates of the United States Military Academy  
d/b/a West Point Association of Graduates**

Consolidated Statements of Financial Position  
December 31, 2025 and 2024  
(In Thousands)

	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 3,385	\$ 3,943
Restricted cash and cash equivalents	7,650	9,798
Pledges receivable, net	15,192	13,655
Inventories and other assets	1,238	1,064
Investments	437,970	373,867
Total current assets	465,435	402,327
<b>Pledges Receivable, Net</b>	28,599	37,176
<b>Investments</b>	311,962	286,354
<b>Split-Interest and Other Trusts</b>	71,832	44,450
<b>Investments Restricted by Agreements</b>	6,014	5,354
<b>Property and Equipment, Net</b>	8,561	8,124
<b>Other Assets</b>	<u>533</u>	<u>633</u>
Total assets	<u>\$ 892,936</u>	<u>\$ 784,418</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 3,227	\$ 3,298
Proffer payable	61,930	64,504
Deferred revenue	<u>140</u>	<u>123</u>
Total current liabilities	65,297	67,925
<b>Proffer Payable</b>	-	54,256
<b>Liabilities, Remainder Trusts</b>	3,917	3,897
<b>Deferred Obligations</b>	3,157	2,929
<b>Due to Classes</b>	3,378	2,924
<b>Deferred Compensation</b>	<u>921</u>	<u>775</u>
Total liabilities	<u>76,670</u>	<u>132,706</u>
<b>Net Assets</b>		
Without donor restrictions	104,514	79,493
With donor restrictions	<u>711,752</u>	<u>572,219</u>
Total net assets	<u>816,266</u>	<u>651,712</u>
Total liabilities and net assets	<u>\$ 892,936</u>	<u>\$ 784,418</u>

See notes to consolidated financial statements

**The Association of Graduates of the United States Military Academy  
d/b/a West Point Association of Graduates**

Consolidated Statements of Activities and Changes in Net Assets

Years Ended December 31, 2025 and 2024

(In Thousands)

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>						
Financial contributions	\$ 567	\$ 95,642	\$ 96,209	\$ 619	\$ 78,445	\$ 79,064
Nonfinancial contributions	-	341	341	2	304	306
Bequests	17,175	752	17,927	974	3,436	4,410
License fees	707	2	709	707	7	714
Return on investments, net	9,417	3,798	13,215	8,257	2,363	10,620
Sales, gift shop	2,795	-	2,795	2,736	-	2,736
Subscriptions and advertising	105	-	105	139	-	139
Alumni activities	1,421	71	1,492	1,280	121	1,401
Other	704	8,580	9,284	567	41	608
<b>Net Assets Released From Restriction</b>						
Satisfaction of program restriction	33,110	(33,110)	-	185,936	(185,936)	-
Reimbursement for administrative and development expenses	7,155	(7,155)	-	7,155	(7,155)	-
Transfers, net	(1,798)	1,798	-	473	(473)	-
Total revenues and other support	71,358	70,719	142,077	208,845	(108,847)	99,998
<b>Expenses</b>						
Program services:						
Alumni services	7,955	-	7,955	7,295	-	7,295
Academy programs and facilities	32,361	-	32,361	185,216	-	185,216
Communications and marketing	2,253	-	2,253	1,869	-	1,869
Recovery of uncollectible pledges, net	-	(1,799)	(1,799)	-	(1,826)	(1,826)
Supporting services:						
Management and administration	7,111	-	7,111	6,675	-	6,675
Fundraising	10,846	-	10,846	10,507	-	10,507
Total expenses	60,526	(1,799)	58,727	211,562	(1,826)	209,736
Change in net assets before investment transactions	10,832	72,518	83,350	(2,717)	(107,021)	(109,738)
<b>Net Realized and Unrealized Gains on Investments</b>	14,189	67,015	81,204	10,595	49,204	59,799
Change in net assets	25,021	139,533	164,554	7,878	(57,817)	(49,939)
<b>Net Assets, Beginning</b>	79,493	572,219	651,712	71,615	630,036	701,651
<b>Net Assets, Ending</b>	\$ 104,514	\$ 711,752	\$ 816,266	\$ 79,493	\$ 572,219	\$ 651,712

See notes to consolidated financial statements

**The Association of Graduates of the United States Military Academy  
d/b/a West Point Association of Graduates**

Consolidated Statements of Cash Flows  
Years Ended December 31, 2025 and 2024  
(In Thousands)

	<u>2025</u>	<u>2024</u>
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 164,554	\$ (49,939)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Contributions for donor restricted endowment funds	(19,255)	(12,799)
Net realized and unrealized gain on investments	(81,204)	(59,799)
Depreciation on property and equipment	670	717
Amortization of intangible assets	100	92
Increase in value of trusts and investments restricted by agreements	(29,320)	(6,376)
Loss on disposal of property and equipment	10	-
Changes in:		
Pledges receivable	2,682	3,809
Inventories and other assets	(174)	(366)
Accounts payable, accrued expenses and deferred compensation	75	(661)
Proffer payable	(56,830)	116,286
Deferred obligations and revenue	245	(89)
Liabilities associated with remainder trusts	20	127
Due to classes	454	127
Net cash used in operating activities	<u>(17,973)</u>	<u>(8,871)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments	(261,142)	(392,757)
Proceeds from sale and maturity of investments	252,635	400,502
Purchase of property and equipment	(1,118)	(1,889)
Receipts from settlement of split-interest agreements	1,938	3,810
Purchase of investments restricted by agreements	<u>(659)</u>	<u>(364)</u>
Net cash (used in) provided by investing activities	<u>(8,346)</u>	<u>9,302</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from contributions for donor restricted endowment funds	19,255	12,799
Changes in pledges restricted for long term investment	<u>4,358</u>	<u>(8,055)</u>
Net cash provided by financing activities	<u>23,613</u>	<u>4,744</u>
Net (decrease) increase in cash and cash equivalents and restricted cash and cash equivalents	(2,706)	5,175
<b>Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning</b>	<u>13,741</u>	<u>8,566</u>
<b>Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending</b>	<u>\$ 11,035</u>	<u>\$ 13,741</u>
The following table provides a reconciliation of cash, cash equivalents and restricted cash and cash equivalents reported within the consolidated statements of financial position to the above consolidated statements of cash flows:		
Cash and cash equivalents	\$ 3,385	\$ 3,943
Restricted cash and cash equivalents	<u>7,650</u>	<u>9,798</u>
Total cash, cash equivalents and restricted cash and cash equivalents	<u>\$ 11,035</u>	<u>\$ 13,741</u>

See notes to consolidated financial statements

# The Association of Graduates of the United States Military Academy d/b/a West Point Association of Graduates

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Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

## 1. Organization and Summary of Significant Accounting Policies

The Association of Graduates of the United States Military Academy, d/b/a West Point Association of Graduates (the Association), is an organization dedicated to furthering the ideals and promoting the welfare of the United States Military Academy at West Point (the Academy) and to supporting and serving its graduates. The Association is exempt from federal income tax under the Internal Revenue Code (IRC). However, income from certain activities not directly related to the Association's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Association qualifies for the charitable contribution deduction under IRC rules and has been classified as an organization that is not a private foundation.

In 2014, the Association created the West Point Athletics Limited Liability Corporation (WPA LLC) with the Association as its sole member. The primary purpose of the WPA LLC is to assist the Academy in its objective to improve its intercollegiate athletic program.

In 2022, the Association created the WPAOG-HVP Limited Liability Corporation (HVP LLC) with the Association as its sole member. The primary purpose of the HVP LLC is to assist the Academy in its effort to uplift neighboring communities where staff and faculty may reside by enhancing educational opportunities in the form of an after-school program.

In 2022, the Association also expanded the purpose of its existing LGL Real Estate Foundation LLC (LGL RE LLC), which was originally established in 2003, to permit the purchase of individual properties for investment. The Association is the sole member of LGL RE LLC.

The Association consolidates the WPA LLC, HVP LLC and LGL RE LLC and has eliminated all intercompany accounts and transactions of these entities, accordingly. Moreover, under applicable U.S. Treasury regulations, WPA LLC, HVP LLC and LGL RE LLC are disregarded as separate entities for income tax purposes and are reported within the Association's *Federal Return of Organization Exempt From Income Tax*.

### Basis of Accounting

The consolidated financial statements of the Association have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

### Basis of Presentation

The Association follows accounting and reporting guidelines established by the Financial Accounting Standards Board (FASB). The Association has established standards for financial reporting, including the classification of resources into two classes of net assets: without donor restrictions and with donor restrictions, based upon the absence or existence and nature of donor-imposed restrictions as follows:

**Net Assets Without Donor Restrictions** - Net assets that are not subject to donor-imposed stipulations.

**Net Assets With Donor Restrictions** - Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Association pursuant to those stipulations or that expire by passage of time. This includes endowment assets to be held in perpetuity for which the income earned can be used for specific donor-stipulated purposes.

# **The Association of Graduates of the United States Military Academy d/b/a West Point Association of Graduates**

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Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

## **Cash and Cash Equivalents**

The Association considers highly liquid debt instruments with original maturities of three months or less to be cash equivalents, excluding amounts held in investments.

The Association places its cash and cash equivalents with high quality financial institutions where, balances generally exceed the Federal Deposit Insurance Corporation (the FDIC) insurance limits. Accounts at each institution are insured by the FDIC up to \$250,000 for interest and noninterest bearing accounts.

## **Restricted Cash and Cash Equivalents**

Restricted cash consists of cash and cash equivalents restricted for use based on donor designations.

## **Pledges Receivable**

Unconditional written promises to give (pledges) are recognized as contribution revenue in the period received with a corresponding increase in net assets. Pledges are recorded at net realizable value and are discounted at an appropriate rate commensurate with the risks involved. Conditional promises to give are recognized when the conditions on which they depend are met.

The Association uses the allowance method for estimating uncollectible contributions. An allowance for uncollectible promises to give (pledges) is determined by management based on such factors as due date (aging), prior collection history, type of contribution and nature of fundraising activity.

## **Split-Interest and Other Trust Agreements**

The Association is a party to various types of split-interest and other trust agreements whereby the donor makes an initial gift in which the Association has a beneficial interest but may not be the sole beneficiary. These agreements include charitable remainder trusts, pooled life income funds, gift annuities, other types of trusts and irrevocable bequests and are reported at fair value.

## **Inventories**

Inventories consist of gift shop items and are stated at the lower of cost (first-in, first-out method) or net realizable value.

## **Property and Equipment**

Property and equipment are carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed using the straight-line method and is based on the assets' estimated useful lives and range between three and five years for computer equipment and vehicles, five and 10 years for furniture and fixtures, 10 to 15 years for building improvements and equipment and 27 to 40 years for buildings and real property.

The Association holds one option to purchase a building currently reported in other assets on the consolidated statements of financial position.

# The Association of Graduates of the United States Military Academy d/b/a West Point Association of Graduates

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Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

## Investments

Short-term investments, equity securities and other investments with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. Return on investments (interest and dividends) and net realized and unrealized gains on investments are included in change in net assets without donor restrictions unless the income or loss is restricted by donor or law. Interest income is measured as earned on the accrual basis. Dividends are measured on the ex-dividend date. Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis.

## Impairment of Long-Lived Assets

The Association accounts for long-lived assets in accordance with the provisions of Accounting Standards Codification (ASC) No. 360, *Property, Plant and Equipment*. This standard requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of an asset is measured by a comparison of the carrying amount of an asset to future cash flows expected to be generated by the asset. If such an asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Management reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. There were no impairment indicators identified during the years ended December 31, 2025 or 2024.

## Proffer Payable

Proffer payable represents unconditional promises to grant funds (or property) to the United States Military Academy that have been offered and accepted prior to year-end but are not fully paid as of the consolidated statements of financial position date. The Association, in accordance with Army Regulations, proffers gifts it intends to make to the Academy, similar to making a promise to give. Proffers are recorded as liabilities at the time they are offered and accepted.

In February 2024, the Association was notified of the federal government's acceptance of the proffer for the renovation of the Academy's Michie Stadium East Stands (Stadium) for approximately \$160 million, including \$6.9 million of design and other pre-construction costs incurred and expensed prior to 2024. As a result, in 2024 the Association recorded the Stadium proffer payable and associated grant to the Academy in the amount of \$152.2 million, net of the previously recognized design and pre-construction costs of this project.

While proffers are normally paid within a one-year period, the Stadium renovation project was expected to take more than two years to complete and therefore a portion of the proffer payable is classified as a noncurrent liability in the consolidated statements of financial position as of December 31, 2024. Total proffer payable outstanding related to the Stadium is \$60,278,326 and \$116,846,240 at December 31, 2025 and 2024, respectively, and is expected to be paid in full in 2026. In 2025, the Association received \$8,500,000 in support for the Stadium renovation from Army West Point Athletics Association (AWPAA), reflected as other revenues in the consolidated statement of activities. Through the first quarter of 2026, payments to contractors have reduced the related proffer payable by \$16,846,959.

## Due to Classes

The Association maintains commingled brokerage accounts consisting of cash and investments, on behalf of various graduated classes. These assets are recorded in the consolidated statements of financial position as investments, along with an offsetting liability. This liability is presented in the consolidated statements of financial position as due to classes in the amounts of \$3,378,239 and \$2,924,123 at December 31, 2025 and 2024, respectively.

# The Association of Graduates of the United States Military Academy d/b/a West Point Association of Graduates

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Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

## Deferred Obligations

Deferred obligations consists primarily of obligations for payments relating to charitable gift annuities and pooled life income funds.

## Contributions

Contributions received are recorded as revenue with or without donor restrictions, depending on the existence and/or nature of any donor restrictions and are reported as an increase in net assets with or without donor restrictions. When a restriction expires (that is, when the purpose restriction is accomplished or time restriction passes), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities and changes in net assets as net assets released from restriction.

Financial contributions include contributions of cash, donated marketable securities and other financial assets. Donated marketable securities are recorded at their fair value at date of donation. Absent donor restrictions, to the contrary, donated securities are sold immediately rather than held for investment. Contributions for the year ended December 31, 2025, include \$5,329,396 of donated securities (\$9,660,343 in 2024).

Donated nonfinancial contributions are reflected as contributions in the accompanying consolidated financial statements at their estimated fair value at date of donation provided that the Association has the risks and rewards of ownership as well as the discretion over beneficiary distribution. When conditions for recognizing nonfinancial contributions are not met, the Association may be acting as an agent in passing a gift through to the Academy. Nonfinancial contributions received and reflected in the accompanying consolidated financial statements were \$341,503 in 2025, consisting of \$286,959 of travel costs and \$54,544 of other items (\$306,269 in 2024, consisting of \$247,367 of travel costs \$58,902 of other items).

## Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

## Tax Status and Expense

The Association is classified for tax purposes as an organization under Section 501(c)(3) of the IRC and, except for unrelated business income, is exempt from income taxes under Section 501(a) of the IRC. Therefore, no provision for income taxes is made in the accompanying consolidated financial statements.

The income tax positions taken by the Association for any years open under the various statutes of limitations are that the Association continues to be exempt from income taxes and that the Association earns revenues from certain activities which are considered unrelated business taxable income under the IRC. In both 2025 and 2024, unrelated business income (net of applicable expenses) resulted in no material tax expense. The Association believes that there are no tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax expenses or benefits within 12 months of the reporting date. None of the Association's federal or state income tax returns are currently under examination by the Internal Revenue Service (IRS) or state authorities.

# The Association of Graduates of the United States Military Academy d/b/a West Point Association of Graduates

Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

## Use of Estimates

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

## Subsequent Events

Subsequent events have been evaluated for recognition or disclosure through April 28, 2026, the date when the consolidated financial statements were available to be issued.

## 2. Liquidity and Availability

The Association's financial assets available within one year of the consolidated statements of financial position date for general expenditure such as operating expenses and grants to the Academy or AWPAA are as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 3,385	\$ 3,943
Pledges receivable, net	15,192	13,655
Investments	<u>437,970</u>	<u>373,867</u>
Total	<u>\$ 456,547</u>	<u>\$ 391,465</u>

The Association's endowment funds consist of donor-restricted endowments and endowments without donor restriction. Income from donor-restricted endowments is not available for general expenditure. Although the Association does not intend to spend from its unrestricted funds other than amounts appropriated for general expenditure as approved for its operating budget, additional amounts from unrestricted funds are available if necessary and if in compliance with endowment spending rules. As described in Note 15, the endowments without donor restriction have a spending rate of 4.5% (will increase to 5% beginning in 2026).

As part of the Association's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Association has an unsecured credit line in the amount of \$7 million to manage unanticipated liquidity needs, which had not been drawn upon as of December 31, 2025 or 2024.

In addition, the Association invests cash in excess of daily requirements in short-term investments and an overnight sweep.

**The Association of Graduates of the United States Military Academy  
d/b/a West Point Association of Graduates**

Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

**3. Pledges Receivable**

Pledges receivable are written unconditional promises to give. The Association recognizes potentially uncollectible pledges and provides an allowance for the estimated uncollectible amount. Pledges receivable, net of the discount to present value (at a rate of 3.75% in 2025 and 4.25% in 2024) and the allowance for uncollectible pledges, are as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Gross unconditional promises to give	\$ 54,982	\$ 65,326
Less allowance for uncollectible pledges	(7,100)	(8,899)
Less discounts to net present value	<u>(4,091)</u>	<u>(5,596)</u>
Net unconditional promises to give	<u>\$ 43,791</u>	<u>\$ 50,831</u>
Amounts due in:		
Less than one year, net of allowance	<u>\$ 15,192</u>	<u>\$ 13,655</u>
Amounts due in:		
One to five years, net of allowance and discount	\$ 19,261	\$ 20,975
More than five years, net of allowance and discount	<u>720</u>	<u>3,225</u>
	19,981	24,200
To be held in perpetuity, net of allowance and discount	<u>8,618</u>	<u>12,976</u>
	<u>\$ 28,599</u>	<u>\$ 37,176</u>

The Association has obtained bank letters of credit or equivalent guarantees securing certain pledges designated for the Michie Stadium renovation project in the amount of \$7.4 million as of December 31, 2025 and 2024, respectively. In addition, the Association has committed to guarantee the unsecured pledges designated for the stadium renovation project in the amount of \$18.5 million and \$22.5 million as of December 31, 2025 and 2024, respectively.

**4. Investments**

Investments, including pooled life income funds and gift annuities, are presented in the consolidated financial statements at fair value and are categorized as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Investments	\$ 749,932	\$ 660,221
Investments, pooled life income funds	648	660
Investments, gift annuities	<u>5,366</u>	<u>4,694</u>
Investments restricted by agreements	<u>6,014</u>	<u>5,354</u>
Total	<u>\$ 755,946</u>	<u>\$ 665,575</u>

**The Association of Graduates of the United States Military Academy  
d/b/a West Point Association of Graduates**

Notes to Consolidated Financial Statements  
December 31, 2025 and 2024

Investments consist of the following (in thousands):

	<u>2025</u>	<u>2024</u>
Short-term investments (money market and bond funds)	\$ 38,755	\$ 28,298
Fixed income funds	61,586	87,521
Equity securities	439,972	374,739
Alternative investments	173,013	139,394
Other	42,620	35,623
	<u>755,946</u>	<u>665,575</u>
Total	<u>\$ 755,946</u>	<u>\$ 665,575</u>

Return on investments, net of fees, gains and losses on investment transactions consist of the following (in thousands):

	<u>2025</u>	<u>2024</u>
Without donor restrictions:		
Return on investments (interest and dividends)	<u>\$ 9,417</u>	<u>\$ 8,257</u>
Net realized gains on sale of investments	\$ 3,153	\$ 4,344
Net unrealized gains on investments	11,036	6,251
	<u>\$ 14,189</u>	<u>\$ 10,595</u>
With donor restrictions:		
Return on investments (interest and dividends)	<u>\$ 3,798</u>	<u>\$ 2,363</u>
Net realized gains on sale of investments	\$ 14,934	\$ 21,468
Net unrealized gains on investments	52,081	27,736
	<u>\$ 67,015</u>	<u>\$ 49,204</u>

Gains and losses on endowment investments required to be held in perpetuity are reported as increases in net assets with or without donor restrictions depending upon donor restrictions placed on the use of the investment income.

## 5. Fair Value Measurements

Fair value is defined as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell an asset occurs in the principal market for the asset or in the absence of a principal market, the most advantageous market for the asset. The principal market is the market in which the reporting entity would sell or transfer the asset with the greatest volume or level of activity for the asset. In determining the principal market for an asset, it is assumed that the reporting entity has access to the market as of the measurement date. If no market for the asset exists or if the reporting entity does not have access to the principal market, the reporting entity uses a hypothetical market.

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The level of fair value inputs used to measure investments is characterized in accordance with an established fair value hierarchy. Where inputs for an investment fall in more than one level in the fair value hierarchy, the investment is classified in its entirety based on the lowest level input that is significant to that investment's fair value measurement. Management uses judgment and considers factors specific to the investment in determining the significance of an input to a fair value measurement. The three levels of the fair value hierarchy and investments that fall into each of the levels are described as follows:

- Level 1 - Inputs are unadjusted quoted market prices in active markets that are accessible at the measurement date for identical assets.
- Level 2 - inputs are other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 - inputs are unobservable and cannot be corroborated by observable market data.

The following fair value hierarchy table sets forth the investment portfolio by level as of December 31, 2025 and 2024 where carrying value equals fair value (in thousands):

	<b>2025</b>			
	<b>Quoted Prices in Active Markets (Level 1)</b>	<b>Other Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	<b>Total</b>
Short-term investments	\$ 38,623	\$ 132	\$ -	\$ 38,755
Fixed income funds:				
Mortgage backed	12,498	-	-	12,498
Government funds	49,088	-	-	49,088
Equity funds:				
Domestic equity	116,494	-	-	116,494
International equity	69,515	-	-	69,515
Alternative investments:				
Fund of funds	-	-	207	207
Real estate funds	-	-	28	28
Other funds	42,620	-	-	42,620
Total investments and investments restricted by agreements in the fair value hierarchy	<u>\$ 328,838</u>	<u>\$ 132</u>	<u>\$ 235</u>	329,205
Investments recorded at net asset value (a)				<u>426,741</u>
Total investments and investments restricted by agreements				<u>\$ 755,946</u>

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	<b>2024</b>			
	<b>Quoted Prices in Active Markets (Level 1)</b>	<b>Other Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	<b>Total</b>
Short-term investments	\$ 28,225	\$ 73	\$ -	\$ 28,298
Fixed income funds:				
Mortgage backed	10,537	-	-	10,537
Government funds	76,984	-	-	76,984
Equity funds:				
Domestic equity	90,518	-	-	90,518
International equity	53,011	-	-	53,011
Alternative investments:				
Fund of funds	-	-	544	544
Real estate funds	-	-	28	28
Other funds	35,623	-	-	35,623
Total investments and investments restricted by agreements in the fair value hierarchy	<u>\$ 294,898</u>	<u>\$ 73</u>	<u>\$ 572</u>	295,543
Investments recorded at net asset value (a)				<u>370,032</u>
Total investments and investments restricted by agreements				<u>\$ 665,575</u>

(a) In accordance with Accounting Standards Update (ASU) No. 2015-07, certain investments that are measured at net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

The basis of fair value for underlying assets is as follows:

- Short-term investments consist of money market and bond funds in which the carrying value approximates fair value because of the short maturity of these instruments.
- Fixed income, equity funds and other funds classified as active market Level 1 are valued at the last sales price on the date of valuation or, if no sale occurred on such date, at the last bid price thereon.
- Fund of funds and real estate funds classified as Level 3 include private capital securities that are generally valued according to the mark-to-market method which attempts to apply a fair value standard by referring to meaningful third-party transactions, comparable public market valuations or the income approach, in which market expectations of future cash flows or earnings are converted to a present value. However, in some instances, it may be most appropriate to value an investment at cost, if little has changed since the initial investment in the company. This valuation process is often used in the early years of investments in a private company and in these instances cost is reflective of fair value.

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- The Association has entered into several agreements with Commonfund, a nonprofit investment manager, to invest in various partnerships. Two of these agreements contain provisions for capital calls by the general partner up to specified amounts. Total capital committed under the agreements amounts to \$5,000,000 and the total amount of capital contributed to the partnerships by the Association as of December 31, 2025 was \$4,925,626. This investment is included in alternative investments as Level 3 in the fair value table. As capital calls are received, other investments are sold and the proceeds and available cash are used to fulfill the capital call. The Association has also entered into an agreement with AEW Capital Management, LP, to invest in a real estate investment trust. This agreement contains provisions for capital calls by the general partner up to specified amounts. Total capital committed under the agreement amounts to \$3,000,000 and the total amount of capital contributed by the Association as of December 31, 2025 was \$2,720,518. The Association was released from its remaining commitment of \$279,482. In accordance with these agreements, the redemption period for these funds range from 7 to 10 years and they are classified as fund of funds and real estate funds Level 3 investments in the fair value table.
- Certain equity, real estate and limited partnership funds are valued based on the net asset value (NAV) of a share. Fair value is determined by reference to the fund's reported NAV per share as a practical expedient, unless it is probable that the investment will be disposed at some value other than NAV per share, in which case reference would be made to the expected disposal price or other indicators of value. The investments valued using the NAV per share include a strategy that invests in publicly traded equity securities, fixed income securities and marketable alternative investments.
- See Note 6 for split-interest and other trusts.

Fund of funds had sales of investments using Level 3 inputs of \$201,646 and 257,651 for the years ended December 31, 2025 and 2024, respectively. There were no purchases made in 2025 and 2024. There were no purchases or sales for Level 3 real estate funds in 2025 and 2024.

Investments are primarily pooled in investment portfolios containing multiple funds with and without donor restrictions. The investment income is allocated to the individual funds within the pool based upon the proportional invested balance of each fund.

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**Fair Value of Investments Recorded at Net Asset Value as a Practical Expedient**

The following table sets forth additional disclosures of the Association's investments in whose fair value is estimated using the net asset value per share (or its equivalent) as a practical expedient to fair value as of December 31, 2025 and 2024 (in thousands):

	<b>2025</b>			
	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Remaining Life</b>	<b>Redemption Restriction/Terms</b>
Domestic equity funds	\$ 198,564	N/A	N/A	N/A
International equity funds	55,399	N/A	N/A	N/A
Private equity: Drawdown partnerships (a)	122,626	\$ 18,939	1 to 7 years	Redemptions not permitted
Long/short equity funds	40,389	N/A	N/A	Quarterly or Annual with notice period from 45-65 days
Real estate: Drawdown partnerships (a)	9,763	11,609	1 to 7 years	Redemptions not permitted
Total	<u>\$ 426,741</u>	<u>\$ 30,548</u>		
	<b>2024</b>			
	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Remaining Life</b>	<b>Redemption Restriction/Terms</b>
Domestic equity funds	\$ 185,250	N/A	N/A	N/A
International equity funds	45,960	N/A	N/A	N/A
Private equity: Drawdown partnerships (a)	87,416	\$ 18,253	1 to 8 years	Redemptions not permitted
Long/short equity funds	43,314	N/A	N/A	Quarterly or Annual with notice period from 45-65 days
Real estate: Drawdown partnerships (a)	8,092	8,772	1 to 8 years	Redemptions not permitted
Total	<u>\$ 370,032</u>	<u>\$ 27,025</u>		

- (a) Certain limited partnership funds are held as long-term investments and are structured as closed-end, commitment-based investment funds where the investor commits a specified amount of capital upon inception of the fund which is then drawn down over a specified period of the fund's life. These funds generally cannot be redeemed prior to the specified termination date and will only receive distributions upon a disposition of the underlying assets of the portfolio. As a limited partner, the Association will not generally have any influence over the amount and timing of capital contributions and distributions.

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## 6. Split-Interest Trusts, Other Trusts and Investments Restricted by Agreements

The Association is the beneficiary of various split-interest agreements, investments restricted by agreements and other trusts as follows:

### Irrevocable Trusts and Others

Donors have established irrevocable trusts held by third party trustees. The trusts consist of various investment portfolios. Pursuant to the respective trust agreements, the donor's designated beneficiary is entitled to the income earned from the trust during the beneficiary's lifetime, and upon death the assets in the trust will be available to the Association. The present value of the estimated amount to be received was calculated using a discount rate (approximately 4% in 2025 and 2024) and the applicable mortality table.

### Remainder Trusts

Donors have established charitable remainder trusts naming the Association as the trustee. Charitable remainder trusts provide for the payment of distributions to designated beneficiaries over the trusts' terms (usually the designated beneficiary's lifetime). At the end of each trust's term, the remaining assets are available for the Association's use, subject to the donor-imposed restrictions. Assets held in charitable remainder trusts totaled \$7,490,982 at December 31, 2025 (\$7,373,682 in 2024) and are recorded at estimated realizable value. On an annual basis the Association revalues the respective liabilities to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments of \$3,917,323 and \$3,897,418 at December 31, 2025 and 2024, respectively is calculated using a discount rate (approximately 3%) and applicable mortality tables and is included as liabilities, remainder trusts in the consolidated statements of financial position.

Donors have established charitable remainder trusts for which the Association is not the trustee. The present value of the estimated beneficial interest to be received at the end of the trusts' terms (usually the designated beneficiary's lifetime) totaled \$16,703,593 at December 31, 2025 (\$15,460,164 at 2024).

### Perpetual Trust

A donor has established a perpetual trust under which the Association receives 35% of the trust's 5% annual distribution. The asset is recorded based on the net present value of future cash flows expected to be received.

### Pooled Life Income Funds

The Association has a pooled life income fund whereby donors contribute into an investment pool and are assigned a specific number of units. The donor or designated beneficiary receives an allocation of income on a quarterly basis. Upon the death of the beneficiary, the value of the assigned units reverts to the Association. The Association's remainder interest in the assets is measured at the fair value of the assets to be received, discounted for the estimated time period until the death of the designated beneficiary using the applicable mortality tables. The liability for future payments is recorded as deferred obligations and was \$236,788 at December 31, 2025 (\$258,207 in 2024).

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**Gift Annuities**

The Association receives certain gifts whereby it is contractually obligated to make periodic payments to the donor for the remainder of his or her life. Currently, gift annuity contributions are deposited into an investment portfolio at a financial institution. The assets received are recorded at fair value and an annuity payment liability is recorded as deferred obligations at the present value of the future cash flows expected to be paid to the designated beneficiary using the applicable mortality table. At December 31, 2025, deferred obligations associated with gift annuities was \$2,919,736 (\$2,671,118 in 2024).

As required by insurance law, the Association maintains an annuity reserve greater than 115% of associated liabilities. The reserve requirement is met using the specific assets and liabilities of the pooled life income funds and gift annuities. At December 31, 2025 and 2024, the Association was in full compliance with reserve requirements under the applicable insurance law.

The changes in split-interest and other trusts for 2025 and 2024 were as follows (in thousands):

	<b>Split-Interest and Other Trusts</b>			<b>Total Split-Interest and Other Trusts</b>
	<b>Irrevocable and Other Trusts</b>	<b>Remainder Trusts</b>	<b>Perpetual Trust</b>	
Balance, December 31, 2023	\$ 17,465	\$ 23,036	\$ 927	\$ 41,428
Contributions	5,512	164	-	5,676
Cash realized	(2,198)	(1,566)	(46)	(3,810)
Change in value	(116)	1,200	72	1,156
Balance, December 31, 2024	20,663	22,834	953	44,450
Contributions	26,029	248	-	26,277
Cash realized	(1,373)	(517)	(48)	(1,938)
Change in value	1,303	1,630	110	3,043
Balance, December 31, 2025	<u>\$ 46,622</u>	<u>\$ 24,195</u>	<u>\$ 1,015</u>	<u>\$ 71,832</u>

The changes in investments restricted by agreements for 2025 and 2024 were as follows (in thousands):

	<b>Investments Restricted by Agreements</b>		
	<b>Pooled Life Income Funds</b>	<b>Gift Annuities</b>	<b>Total Investments Restricted by Agreements</b>
Balance, December 31, 2023	\$ 901	\$ 4,545	\$ 5,446
Contributions	-	200	200
Cash realized	(224)	(229)	(453)
Change in value	(17)	178	161
Balance, December 31, 2024	660	4,694	5,354
Contributions	-	411	411
Cash realized	(23)	(27)	(50)
Change in value	11	288	299
Balance, December 31, 2025	<u>\$ 648</u>	<u>\$ 5,366</u>	<u>\$ 6,014</u>

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**7. Property and Equipment**

A summary of property and equipment is as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Buildings and improvements	\$ 16,791	\$ 15,742
Computer equipment and software	1,947	2,092
Furniture and fixtures	980	980
Land	545	545
Equipment	446	426
Vehicles	176	157
	<u>20,885</u>	<u>19,942</u>
Less accumulated depreciation	<u>12,324</u>	<u>11,818</u>
Total property and equipment, net	<u>\$ 8,561</u>	<u>\$ 8,124</u>

Depreciation expense was \$671,039 and \$717,355 for the years ended December 31, 2025 and 2024, respectively.

In December 2025, the Association entered into a contract with a third party for renovations and improvements to its alumni center in the amount of \$1,534,000. The amount will be funded from unrestricted reserves. Construction commenced in January 2026 and is expected to be completed by June 2026. No costs related this construction were incurred prior to December 31, 2025.

**8. Line of Credit**

The Association has a \$7 million line of credit established with its bank. This line was originally established under an agreement dated July 25, 2018. The interest rate option was re-stated in 2022 and will be charged at the Secured Overnight Financing Rate (SOFR) plus 1.50% or Prime minus 1.25%. The line is due on demand and has no expiration. There was no outstanding balance on this line at December 31, 2025 and 2024.

The Association did not draw any funds on the line during 2025 or 2024 and thus incurred no related interest expense for the years ended December 31, 2025 and 2024.

**9. Deferred Compensation**

The Association has arrangements with its executive officers whereby specified amounts of their compensation are eligible to be deferred. These amounts are invested on behalf of the participating executives (both current and former) and are payable upon their retirement. At December 31, the Association's investments and obligation pursuant to these arrangements was (in thousands):

	<u>2025</u>	<u>2024</u>
Investments, long-term	\$ 921	\$ 775
Deferred compensation liability	(921)	(775)

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## 10. Defined Contribution Plan

The Association sponsors a defined contribution retirement plan under Section 403(b) of the IRC that allows for contributions by employees as well as the Association. Substantially all employees are eligible to participate in this plan. The Association's contributions to the plan are based on a percentage of the employees' elective contribution and totaled \$818,550 for the year ended December 31, 2025 (\$714,454 for 2024).

## 11. Property Lease

In 1992, the Association entered into a fifty-year lease with the Secretary of the Army for approximately 1.5 acres of land on which its alumni center was constructed. This lease has a renewal option for an additional fifty years and is revocable by the Secretary of the Army. The land is being leased at no charge to the Association.

## 12. Net Assets With Restrictions

Net assets with donor restrictions are available as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Net assets with donor restrictions available for the support of various projects related to the Academy and its graduates or are restricted by time	\$ 352,955	\$ 258,934
Net assets to be held in perpetuity:		
Endowments with no restrictions on the use of income	46,403	45,331
Endowments with income restricted to the support of projects and programs related to the Academy and its graduates	<u>312,394</u>	<u>267,954</u>
Total	<u>\$ 711,752</u>	<u>\$ 572,219</u>

## 13. Transfers

Transfers are made among the net asset classes to reclassify previously recognized revenue that has been re-allocated in the current year by the donor based upon the occurrence of certain events or the determination that a transfer is needed to reflect the donors' intent for the contribution. The Association ensures donors' consent before making net asset transfers to and from net assets with donor restrictions.

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## 14. Description of Program and Supporting Services

The following program and supporting services are included in the accompanying consolidated financial statements:

**Alumni Services** - Encompasses activities, support and services provided to graduates including events, awards and the maintenance of detailed biographical and historical records on graduates of the Academy and includes expenses for the operation of a gift shop.

**Academy Programs and Facilities** - Provides gift funds and assets to the Academy and AWPAA for the purpose of encouraging the study of leadership and to enhance the image of the Academy. The Association recorded \$32,215,879 of grants to the Academy and AWPAA in 2025 (\$185,067,928 in 2024), related to educational programs, facilities and support services. Included in the 2024 grants to the Academy is \$152,244,353 related to the Michie Stadium renovation.

**Communications and Marketing** - Disseminates information on current events and the history, activities, objectives and purpose of the Academy through certain publications and media.

**Management and Administration** - Relates to the overall administration of the Association.

**Fundraising** - Provides the structure necessary to solicit, secure and steward private financial support from individuals, foundations and corporations.

The consolidated financial statements report certain categories of expenses that are related to more than one program or supporting function. The expenses that are allocated are building and occupancy expenses which are allocated on a square footage basis.

Below summarizes expenses on a functional and natural classification basis for the years ended December 31, 2025 and 2024 (in thousands):

	2025					
	Alumni Services	Academy Programs and Facilities	Communications and Marketing	Management and Administration	Fundraising	Total Expenses
Grants to the Academy	\$ -	\$ 22,344	\$ -	\$ -	\$ -	\$ 22,344
Grants to AWPAA	-	9,871	-	-	-	9,871
Salaries	3,255	108	1,122	3,118	6,412	14,015
Benefits	732	27	340	700	1,587	3,386
Professional services	204	5	127	769	452	1,557
Printing and publications	22	-	170	7	91	290
Postage and shipping	253	-	162	6	195	616
Cost of goods sold	1,515	-	-	-	-	1,515
Employee travel	126	1	44	235	62	468
Awards and alumni events	1,014	-	2	176	47	1,239
Donor recognition	8	-	-	40	947	995
Donor cultivation	6	-	-	3	195	204
Office expenses	117	1	8	22	39	187
Building and facilities	114	4	34	197	195	544
Depreciation and amortization	21	-	5	711	33	770
All other	568	-	239	1,127	591	2,525
<b>Total</b>	<b>\$ 7,955</b>	<b>\$ 32,361</b>	<b>\$ 2,253</b>	<b>\$ 7,111</b>	<b>\$ 10,846</b>	<b>\$ 60,526</b>

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	2024					
	Alumni Services	Academy Programs and Facilities	Communications and Marketing	Management and Administration	Fundraising	Total Expenses
Grants to the Academy	\$ -	\$ 176,568	\$ -	\$ -	\$ -	\$ 176,568
Grants to AWPAA	-	8,500	-	-	-	8,500
Salaries	3,159	109	1,061	2,739	6,275	13,343
Benefits	661	25	257	548	1,500	2,991
Professional services	177	1	67	818	392	1,455
Printing and publications	43	2	151	14	66	276
Postage and shipping	190	-	147	3	217	557
Cost of goods sold	1,515	-	-	-	-	1,515
Employee travel	134	3	10	150	54	351
Awards and alumni events	706	3	1	133	60	903
Donor recognition	4	-	-	65	856	925
Donor cultivation	-	-	-	-	289	289
Office expenses	85	1	7	23	32	148
Building and facilities	104	3	30	283	183	603
Depreciation and amortization	20	1	5	749	34	809
All other	497	-	133	1,150	549	2,329
Total	<u>\$ 7,295</u>	<u>\$ 185,216</u>	<u>\$ 1,869</u>	<u>\$ 6,675</u>	<u>\$ 10,507</u>	<u>\$ 211,562</u>

**15. Endowment**

In September 2010, the State of New York enacted the New York Prudent Management of Institutional Funds Act (NYPMIFA, the Act). The Act provides specific guidance regarding investment management and spending policies related to funds donated as endowment to the organization. Among its many provisions, the Act promotes a total return approach to spending, with the goal of investing at a rate that will preserve the purchasing power of the principal over the long term as well as a spend rate that, over the long term, will reflect the donor's intentions. The Act requires each organization to establish written investment and spending policies to ensure compliance with the Act.

The Act also outlines the following eight standards for prudent spending, including a requirement that organizations have a written policy describing how such standards were adopted:

1. The duration and preservation of the endowment fund
2. The purpose of the institution and the endowment fund
3. General economic conditions
4. The possible effect of inflation or deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the institution
7. Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution
8. The investment policy of the institution

In addition, the Act establishes that a yearly spend of more than 7% of an endowment's fair value, based on quarterly fair values of the endowment calculated over a period of not less than five years, creates a rebuttal presumption of imprudence. The Act also requires written notification to all existing endowment donors allowing them to indicate whether or not they will allow the endowment to be spent below the original gift amount.

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The primary investment objective is to maximize total return within prudent risk guidelines. The secondary objective is to preserve capital - less risk will be assumed for funds intended for near-term use, while greater risk may be assumed for longer-term funds, including endowments.

For endowments whose income is with or without donor restriction for specific purposes, the Association uses a total return policy whereby a fixed percentage (4% with donor restriction and 4.5% without donor restriction) of the prior twelve quarters' fair value of investments restricted in perpetuity by donor and their related donor-restricted income accounts is available for distribution in the ensuing year for the intended endowment purposes.

In addition, it is the Association's current policy to recognize the historic dollar value of all endowment funds and not spend any portion of the corpus. The Association classifies as net assets held in perpetuity (a) the original value of gifts donated to the endowment and (b) the original value of subsequent gifts to the endowment. The remaining portion of the donor-restricted endowment fund that is not classified in net assets to be held in perpetuity was \$191,286,693 and \$143,236,440 as of December 31, 2025 and 2024, respectively.

These amounts are classified as net assets with donor restriction until those amounts are appropriated for expenditure by the Association in a manner consistent with the Act. The endowment net assets without donor restriction represent internally designated amounts which are appropriated for expenditure in accordance with the Association's spending policy.

From time to time, certain donor-restricted endowment funds may have fair value less than the amount required to be maintained by donors or by law. These are considered to be "underwater" endowments. No distributions are made from any endowments while underwater. The Association had no underwater endowments as of December 31, 2025. At December 31, 2024, six donor-restricted endowments with original gift values of \$5,574,149, fair values of \$5,461,005 and deficiencies of \$113,144 were reported in net assets with donor restrictions.

Changes in endowed net assets for the years ended December 31, 2025 and 2024, are as follows (in thousands):

	<b>2025</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, end of year			
December 31, 2024	\$ 24,274	\$ 456,521	\$ 480,795
Contributions	-	41,280	41,280
Return on investment, net	330	2,278	2,608
Realized and unrealized gain on investment	8,303	53,817	62,120
Transfers and other, net	-	3,868	3,868
Amount appropriated for expenditure	(2,512)	(7,680)	(10,192)
Endowment net assets, end of year			
December 31, 2025	<u>\$ 30,395</u>	<u>\$ 550,084</u>	<u>\$ 580,479</u>

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	<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, end of year December 31, 2023	\$ 20,338	\$ 400,113	\$ 420,451
Contributions	-	23,649	23,649
Return on investment, net	100	679	779
Realized and unrealized gain on investment	6,316	38,251	44,567
Transfers and other, net	-	4,449	4,449
Amount appropriated for expenditure	(2,480)	(10,620)	(13,100)
Endowment net assets, end of year December 31, 2024	<u>\$ 24,274</u>	<u>\$ 456,521</u>	<u>\$ 480,795</u>