Financial Statements
June 30, 2025

Developmental Pathways, Inc.

(With Comparative Totals for 2024)

Independent Auditor's Report

To the Board of Directors
Developmental Pathways, Inc.
Aurora, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Developmental Pathways, Inc., which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Developmental Pathways, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

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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 Developmental Pathways, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Report on Summarized Comparative Information

We have previously audited the 2024 financial statements of Developmental Pathways, Inc., and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 28, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 11, 2025 on our consideration of Developmental Pathways, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Developmental Pathways, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Developmental Pathways, Inc.'s internal control over financial reporting and compliance.

Eide Bailly LLP

Denver, Colorado
December 11, 2025

	2025	2024
Assets		
Cash and cash equivalents	$ 29,242,108	$ 20,924,283
Investments	18,742,127	16,688,216
Accounts receivable, net	7,434,184	8,842,633
Prepaid expenses and other assets	785,154	594,703
Property and equipment, net	1,287,611	1,383,649
Operating lease right of use assets	462,211	774,758
Endowment investments	1,116,097	1,059,886
Total assets	$ 59,069,492	$ 50,268,128
Liabilities and Net Assets		
Accounts payable and accrued liabilities	$ 5,773,546	$ 4,601,554
Deferred revenue	4,664,091	4,411,190
Operating lease liabilities	605,631	1,020,160
Total liabilities	11,043,268	10,032,904
Net Assets		
Without donor restrictions		
Undesignated	43,917,228	34,515,407
Board designated	1,694,830	3,229,510
Invested in property and equipment, net	1,287,611	1,383,649
	46,899,669	39,128,566
With donor restrictions		
Purpose restrictions	218,592	198,695
Perpetual in nature	907,963	907,963
	1,126,555	1,106,658
Total net assets	48,026,224	40,235,224
Total liabilities and net assets	$ 59,069,492	$ 50,268,128

	2025			
	Without Donor Restrictions	With Donor Restrictions	Total	2024
Revenue, Support, and Gains				
State of Colorado - Medicaid	$ 22,329,987	$ -	$ 22,329,987	$ 15,729,116
State of Colorado	29,680,997	-	29,680,997	26,321,544
Mill levy	24,248,182	-	24,248,182	22,884,002
Service fees and other program income	153,284	-	153,284	1,514,520
Contributions and grants	379,707	71,500	451,207	2,269,417
Net investment return	2,747,596	126,723	2,874,319	2,357,974
Net assets released from restrictions	156,532	(156,532)	-	-
Total revenue, support, and gains	79,696,285	41,691	79,737,976	71,076,573
Expenses				
Program services				
Case management	26,782,229	-	26,782,229	24,300,665
Support services	35,176,282	-	35,176,282	35,105,863
Total program services	61,958,511	-	61,958,511	59,406,528
Supporting services				
Management and general	9,874,978	-	9,874,978	8,902,947
Fundraising and development	113,487	-	113,487	52,977
Total supporting services	9,988,465	-	9,988,465	8,955,924
Total expenses	71,946,976	-	71,946,976	68,362,452
Change in net assets	7,749,309	41,691	7,791,000	2,714,121
Net Assets, Beginning of Year	39,150,360	1,084,864	40,235,224	37,521,103
Net Assets, End of Year	$ 46,899,669	$ 1,126,555	$ 48,026,224	$ 40,235,224

	Program services		Supporting services			
	Case Management	Support Services	Management and General	Fundraising and Development	2025	2024
Salaries, benefits, and taxes	$ 23,704,625	$ 11,840,098	$ 8,172,557	$ 17,763	$ 43,735,043	$ 40,631,342
Community outreach	9,889	7,379,747	-	75,458	7,465,094	5,090,855
Client assistance and activities	-	3,382,818	-	-	3,382,818	6,505,780
Information technology	1,046,773	311,001	465,807	7,999	1,831,580	1,939,642
Professional services	940,020	11,865,844	769,800	779	13,576,443	12,240,936
Depreciation and amortization	463,151	124,823	87,012	-	674,986	542,957
Occupancy	301,871	149,263	69,001	-	520,135	477,595
Staff development and travel	215,111	79,265	72,613	10,870	377,859	324,149
Insurance	-	-	161,435	-	161,435	151,436
Office expenses	37,948	39,123	14,203	618	91,892	80,747
Other	59,069	777	15,656	-	75,502	320,396
Dues and subscriptions	144	2,102	38,860	-	41,106	44,058
Maintenance	3,628	1,421	8,034	-	13,083	12,559
Total expenses by function	$ 26,782,229	$ 35,176,282	$ 9,874,978	$ 113,487	$ 71,946,976	$ 68,362,452

Developmental Pathways, Inc.
Statement of Cash Flows
Year Ended June 30, 2025
(with comparative totals for 2024)

	2025	2024
Operating Activities		
Change in net assets	$ 7,791,000	$ 2,714,121
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	674,986	542,957
Realized and unrealized gain	(1,331,163)	(1,123,920)
Endowment net investment return	(126,723)	(108,338)
Loss (gain) on sale of assets	5,013	(14,165)
Change in operating assets and liabilities		
Accounts receivable, net	1,408,449	(2,374,495)
Grant advances	-	218,100
Prepaid expenses and other assets	(190,451)	(85,416)
Accounts payable and accrued liabilities	1,171,992	1,404,429
Deferred revenue	252,901	1,114,681
Operating lease right of use assets and liabilities	(31,881)	(93,082)
Net Cash from Operating Activities	9,624,123	2,194,872
Investing Activities		
Purchases of investments	(1,788,274)	(1,240,774)
Proceeds from sales of investments	1,065,526	660,325
Purchases of property and equipment	(672,797)	(755,941)
Withdrawal from endowment	70,512	-
Proceeds from sales of property and equipment	18,735	14,165
Net Cash used for Investing Activities	(1,306,298)	(1,322,225)
Financing Activities		
Principal payments on finance leases	-	(5,966)
Net Cash used for Financing Activities	-	(5,966)
Net Change in Cash and Cash Equivalents	8,317,825	866,681
Cash and Cash Equivalents, Beginning of Year	20,924,283	20,057,602
Cash and Cash Equivalents, End of Year	$ 29,242,108	$ 20,924,283

Note 1 - Principal Activities and Significant Accounting Policies

Organization

Started in 1964, Developmental Pathways, Inc. (DPI, we, us, our) is a 501(c)(3) nonprofit agency serving more than 15,000 individuals with disabilities/delays and their families. We support individuals with co-occurring needs from birth to aging.

We are one of Colorado's designated Case Management Agencies (CMA) for long-term care services, helping people access the long-term care system through state and federally funded programs like Medicaid Waivers. We are also one of Colorado's Community Centered Boards (CCB), supporting babies and toddlers with developmental delays and children and adults of all ages with developmental and/or intellectual disabilities (I/DD) in Arapahoe, Douglas, and Elbert Counties. Additionally, we are Colorado's largest Early Intervention (EI) provider, helping connect young children to essential resources.

Our work focuses on care coordination for individuals and families who need help navigating the complex world of disability services. We also actively build, support, and partner with community resources to meet the needs of our community. Our vision is to partner with individuals in pursuing a meaningful life through advocacy, education, connection, and support, all through person-centered approaches. We passionately believe inclusion is for everyone.

Our programming includes two main pillars of support:

Case Management

Developmental Pathways provides comprehensive case management for individuals and families to assist in navigating the long-term care system through local, state, and federally funded programs like Medicaid Waivers. Case management is a collaborative process that involves accessing, planning, implementing, coordinating, monitoring, and evaluating support to enhance outcomes for individuals and families.

Programming includes:

Waivers

- Children with Complex Health Needs Waiver (CwCHN)
- Children's Extensive Support Waiver (CES)
- Children's Habilitation Residential Program Waiver (CHRP)
- Brain Injury Waiver (BI)
- Community Mental Health Supports Waiver (CMHS)
- Complementary and Integrative Health Waiver (CIH)
- Developmental Disability Medicaid Waiver (DD)
- Elderly Blind, and Disabled Waiver (EBD)
- Supported Living Services Medicaid Waiver (SLS)

Programs

- Family Support Services Program (FSSP)
- State Supported Living Services Program (S-SLS)
- OBRA Specialized Services (OBSS)
- Home Care Allowance (HCA)
- Intermediate Care Facility (ICF)
- Program of All-Inclusive Care for the Elderly (PACE)
- Hospital Backup (HBU)
- Nursing Facility (NF)

Support Services

In addition to providing Case Management services, we provide support services in the following program areas:

Early Intervention (EI) Services
EI is a program for families with a child up to age three with a delay in development and/or qualifying diagnosis. We evaluate the child's development and determine if they qualify for supports and services. As an EI provider, we offer services to eligible children and families, such as occupational, physical, and speech therapies and developmental intervention.

Family Support
This state funded program provides individualized support to families caring for a family member with developmental disabilities/delays, including connecting them with resources and providing limited financial assistance.

Adult Supported Living
The Medicaid funded Supported Living Services, and the state funded Supported Living Services programs provide a variety of services and supports for adults living in their own homes, or with family in the community. The services allowed include personal assistance with daily living, homemaking skills, employment, day services, assistive technology, home modification, professional services, transportation, and emergency assistance.

Adult Developmental Disabilities
The Developmental Disabilities (DD) Medicaid waiver provides 24/7 residential care to adults. Services and supports are provided by provider agencies and the Case Management Agency.

Children's Extensive Support
Children's Extensive Support (CES) services are provided through the Medicaid Home and Community Based Services Waiver for children with the most challenging developmental disabilities. The CES Waiver allows children who may not otherwise qualify for Medicaid State Plan Benefits to access Medicaid services. Children continue to reside in the community with their families. The services allowed include personal assistance with daily living, respite, homemaking skills, day services, assistive technology, home modification, professional services, transportation, and emergency assistance.

Local Community Support Programming
We are proud to offer a variety of locally funded programs to meet the needs of our community. The primary funding goals include meeting unmet and under-met needs and creating and/or supporting programming and community infrastructure to support more meaningful, integrated, and quality outcomes for individuals with I/DDs and their families.

Comparative Financial Information

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the Developmental Pathways, Inc.'s audited financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Cash and Cash Equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and cash equivalents held in our investment portfolio are excluded from this definition.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are uncollateralized patient and third-party payor obligations, primarily amounts due from the State of Colorado for services provided to individuals under Medicaid and State funded programs. We determine the allowance for credit losses based on historical experience, an assessment of current and forecasted economic conditions, and a review of collection efforts. Accounts receivable are written off when deemed uncollectable. Receivables from contracts with customers are reported as accounts receivable, net of an allowance for credit losses of approximately $59,000 at June 30, 2025 in the accompanying statement of financial position.

Property and Equipment

We record property and equipment additions over $5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from three to ten years, or in the case of capitalized leased assets, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2025.

Right of Use Leased Assets and Liabilities

Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent DPI's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for the capacity building.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or 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. We report conditional contributions restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released when the assets are placed in service.

Revenue and Revenue Recognition

Revenue is reported at the amount that reflects the consideration to which we expect to be entitled in exchange for providing services. Our revenue consists primarily of funds received from the State of Colorado for Medicaid and other state services, proceeds from mill levies in Douglas, Arapahoe, and Elbert Counties, and miscellaneous grants and awards from federal, state, county, and municipal sources. Generally, we bill individuals and third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied. Contract liabilities are presented as deferred revenue in the accompany statement of financial position.

Performance obligations are determined based on the nature of the services provided. Revenue for performance obligations satisfied over time is recognized based on when related services are performed. We believe that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Revenues from the State of Colorado, service fees, and other program income relate to program services that are paid by Medicaid and other payors. We determine the transaction price based on standard charges for services provided, which are set by the State. Program revenue received in advance, which consists primarily of mill levy revenue, is deferred to the applicable period in which the related services are performed.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Our federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits, and taxes, information technology, professional services, depreciation and amortization, occupancy, staff development and travel, insurance, office expenses, and other, which are allocated on the basis of the number of employees.

Income Taxes

Developmental Pathways, Inc. is organized as a Colorado nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code, qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. The entity annually is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes.

We believe that we have appropriate support for any tax positions taken affecting our annual filing requirements, and as such, do not have any uncertain tax positions that are material to the financial statements. We would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

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

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash and money market accounts with financial institutions we believe to be creditworthy. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. We have a policy to invest cash funds in daily insured cash sweep accounts, which are fully insured by FDIC at all times. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies. Investments are made by an investment manager whose performance is monitored by management and the Finance Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the investment manager and the Finance Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organization.

Subsequent Events

We have evaluated subsequent events through December 11, 2025, the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

We operate on a balanced budget and regularly monitor liquidity to meet our operating needs and other contractual commitments while also striving to maximize the investment of our available funds. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	$ 29,231,650
Investments	17,244,655
Accounts receivable, net	7,434,184
	$ 53,910,489

Our endowment funds consist of a single donor-restricted endowment. Income from the donor-restricted endowment is restricted for medical and dental expenses. Donor-restricted endowment funds are not available for general expenditure. Investments measured at Net Asset Value (NAV) are not considered to be available within one year of the statement of financial position date.

Our governing board has designated a portion of our unrestricted net assets for the capacity building. These funds remain available and may be spent at the discretion of the Board.

Note 3 - Fair Value Measurements and Disclosures

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values. We use Net Asset Value (NAV) per share, as a practical expedient to estimate the fair values of certain hedge funds and global equity funds that do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified below, at June 30, 2025:

		Fair Value Measurements at Reporting Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Money market (at cost)	$ 77,787	$ -	$ -	$ -
Equity funds	17,035,653	17,035,653	-	-
Exchange-traded funds	131,215	131,215	-	-
Global equity fund (at NAV)	561,140	-	-	-
Multi-strategy hedge fund (at NAV)	936,332	-	-	-
	$ 18,742,127	$ 17,166,868	$ -	$ -
Endowment investments				
Money market (at cost)	$ 7,401	$ -	$ -	$ -
Equity funds	1,108,696	1,108,696	-	-
	$ 1,116,097	$ 1,108,696	$ -	$ -

Investments in certain entities that are measured at fair value using NAV per share as a practical expedient are as follows at June 30, 2025:

	Number of Investments	Fair value	Unfunded Commitments	Redemption Frequency
Multi-strategy hedge fund	1	$ 936,332	$ -	Units are not redeemable
Global equity fund	1	561,140	-	Quarterly
		$ 1,497,472	$ -	

Multi-Strategy Hedge Fund - A “fund of hedge funds,” with the objective of capital appreciation with limited variability of returns. The fund attempts to achieve this objective by allocating capital among a number of underlying funds employing a variety of alternative investment strategies. Units are not redeemable at our discretion as the fund makes a tender offer to repurchase members’ units at NAV on certain repurchase dates.

Global Equity Fund – A fund with the objective of maximizing total returns through growth of capital and current income. The fund attempts to achieve this objective by investing primarily in securities of companies and entities that own infrastructure assets throughout the world.

Note 4 - Property and Equipment

Property and equipment at June 30, 2025 consists of the following:

Building improvements	$ 1,334,634
Computers and equipment	2,361,914
	3,696,548
Less accumulated depreciation and amortization	(2,408,937)
	$ 1,287,611

Note 5 - Leases

We lease certain office facilities and equipment related to our programmatic activities under non-cancelable operating lease agreements. The leases expire at various dates through 2027 and provide for renewal options ranging from one to ten years. We include in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The leases provide for increases in future minimum annual rental payments based on defined increases set forth in the agreement. Also, the agreements generally require us to pay real estate taxes, insurance, and repairs.

The weighted-average discount rate is based on the discount rate implicit in the lease. We have elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. We have elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Total lease costs for the year ended June 30, 2025 were $399,607.

The following table summarizes the supplemental cash flow information for the year ended June 30, 2025:

Cash paid for amounts included in the measurement of lease liabilities	
Cash paid for operating leases	$ 430,060

At June 30, 2025, the weighted-average remaining lease term is 1.57 years, and the weighted-average discount rate is 3.09%.

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of June 30, 2025:

Year Ending June 30,	
2026	$ 431,809
2027	254,762
Total lease payments	686,571
Less interest	(80,940)
Present value of lease liabilities	$ 605,631

Note 6 - Endowment

Our endowment (Endowment) consists of a single donor-restricted fund established to provide funding for medical and dental assistance to individuals with disabilities. Net assets associated with the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

Our Board of Directors has interpreted the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund, unless there are explicit donor stipulations to the contrary. At June 30, 2025, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of gifts donated to the Endowment, (b) the original value of subsequent gifts donated to the Endowment, and (c) accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

The following factors are considered in making a determination to appropriate or accumulate donor-restricted Endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

Investment and Spending Policies

We have adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the Endowment assets.

Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. Under these policies, Endowment assets are invested in a manner intended to produce results, measured over full market cycles, which equal or exceed the price and yield results of a blended portfolio of investment securities while assuming a low-to-moderate level of investment risk.

To satisfy long-term rate-of-return objectives, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

We may appropriate for distribution each year a portion of the accumulated earnings in excess of the perpetually restricted net assets of the Endowment to fund medical and dental expenses. We consider the long-term expected return on our Endowment, including times of market downturn. Accordingly, over the long term, the current spending policy is expected to preserve the perpetually restricted net assets of the Endowment. This is consistent with our objective to preserve the fair values of the original gifts made to the Endowment while providing an opportunity for real growth through new gifts and undistributed investment return.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to allow spending from underwater endowments in accordance with prudent measures required under law.

Changes in endowment net assets with donor restrictions for the year ended June 30, 2025 are as follows:

Endowment net assets, beginning of year	$ 1,059,886
Net investment return	126,723
Appropriation of endowment assets	(70,512)
Endowment net assets, end of year	$ 1,116,097

Note 7 - Net Assets With Donor Restrictions

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

Subject to Expenditure for Specified Purpose	
Community outreach	$ 10,458
Endowments	
Accumulated investment gains subject to appropriation and expenditure when specified event occurs	
Restricted by donors for medical and dental expenditures	208,134
Perpetual in nature, earnings from which are subject to appropriation for medical and dental expenditures	907,963
	1,116,097
	$ 1,126,555

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose as follows during the year ended June 30, 2025:

Satisfaction of Purpose Restrictions	
Medical and dental expenditures	$ 70,512
Community outreach	86,020
	$ 156,532

Note 8 - Employee Benefits

We sponsor a retirement plan (the Plan) qualified under Section 401(k) of the Internal Revenue Code (IRC) covering substantially all full-time employees who have attained the age of 18 and completed one year of service. Employees may contribute up to the maximum contribution allowed by the IRS. We contribute 4% and may make additional discretionary contributions determined by the Board of Directors each plan year. During the year ended June 30, 2025, our 4% contributions to the plan totaled approximately $728,000; there were no discretionary contributions.