Financial Statements
June 30, 2026 and 2025

The Fort Lewis College Foundation

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Financial Statements

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Independent Auditor's Report

The Board of Directors
The Fort Lewis College Foundation
Durango, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Fort Lewis College Foundation, which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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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 The Fort Lewis College Foundation'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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Eide Bailly LLP

Denver, Colorado
October 22, 2026

The Fort Lewis College Foundation
Statements of Financial Position
June 30, 2026 and 2025

	2026	2025
Assets		
Cash, cash equivalents, and restricted cash	$ 357,603	$ 657,668
Promises to give, net	3,026,394	1,607,516
Bequest receivable	-	149,308
Prepaid expenses and other assets	30,854	1,105
Due from Fort Lewis College	115,666	86,691
Investments	66,354,803	61,574,527
Intangible assets - crypto	3,104,859	5,403,263
Property and equipment, net	614,640	632,001
Beneficial interest in assets held by others	731,612	689,136
Total assets	$ 74,336,431	$ 70,801,215
Liabilities and Net Assets		
Accrued liabilities	$ 86,763	$ 93,138
Due to Fort Lewis College	656,379	630,148
Refundable advance	333,616	86,691
Total liabilities	1,076,758	809,977
Net Assets		
Without donor restrictions		
Undesignated	6,188,009	4,424,099
Board-designated	2,544,833	2,222,474
	8,732,842	6,646,573
With donor restrictions	64,526,831	63,344,665
Total net assets	73,259,673	69,991,238
Total liabilities and net assets	$ 74,336,431	$ 70,801,215

The Fort Lewis College Foundation
Statement of Activities
Year Ended June 30, 2026

	2026		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains and Other Support			
Contributions and grants	$ 294,529	$ 9,791,637	$ 10,086,166
Net investment return	2,680,517	6,474,595	9,155,112
Remeasurement loss on crypto assets, net	-	(2,298,404)	(2,298,404)
Change in value of beneficial interest in assets held by others	-	42,476	42,476
Rental and other revenue	89,211	-	89,211
Net assets released from restrictions	12,764,501	(12,764,501)	-
Total revenue, gains and other support	15,828,758	1,245,803	17,074,561
Expenses			
Program services	12,863,145	-	12,863,145
Support services			
Management and general	715,565	-	715,565
Fundraising	163,779	-	163,779
Total expenses before losses	13,742,489	-	13,742,489
Loss on uncollectable promises to give	-	63,637	63,637
Total expenses and losses	13,742,489	63,637	13,806,126
Change in Net Assets	2,086,269	1,182,166	3,268,435
Net Assets, Beginning of year	6,646,573	63,344,665	69,991,238
Net Assets, End of year	$ 8,732,842	$ 64,526,831	$ 73,259,673

The Fort Lewis College Foundation
Statement of Activities
Year Ended June 30, 2025

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains and Other Support			
Contributions and grants	$ 360,408	$ 7,973,141	$ 8,333,549
Net investment return	1,842,582	3,813,045	5,655,627
Remeasurement gain on crypto assets, net		642,709	642,709
Change in value of beneficial interest in assets held by others	-	47,396	47,396
Rental and other revenue	99,502	-	99,502
Net assets released from restrictions	7,940,438	(7,940,438)	-
Total revenue, gains and other support	10,242,930	4,535,853	14,778,783
Expenses			
Program services	7,901,478	-	7,901,478
Support services			
Management and general	646,867	-	646,867
Fundraising	293,909	-	293,909
Total expenses before losses	8,842,254	-	8,842,254
Loss on uncollectable promises to give	-	300	300
Total expenses and losses	8,842,254	300	8,842,554
Change in Net Assets	1,400,676	4,535,553	5,936,229
Net Assets, Beginning of year	5,245,897	58,809,112	64,055,009
Net Assets, End of year	$ 6,646,573	$ 63,344,665	$ 69,991,238

The Fort Lewis College Foundation

Statements of Functional Expenses

Years Ended June 30, 2026 and 2025

	2026			
		Supporting Services		
	Program Services	Management and General	Fundraising	Total
FLC program support	$ 10,071,193	$ -	$ -	$ 10,071,193
FLC scholarships	2,545,327	-	-	2,545,327
Fees for FLC services	128,048	470,255	145,130	743,433
Total College expenses	12,744,568	470,255	145,130	13,359,953
Professional fees	60,230	63,206	-	123,436
Food and beverage	50,123	15,423	13,512	79,058
Other	8,224	49,313	5,137	62,674
Licenses, dues and fees	-	50,738	-	50,738
Bank and credit card fees	-	27,654	-	27,654
Depreciation	-	17,361	-	17,361
Insurance	-	11,650	-	11,650
Repairs and maintenance	-	9,965	-	9,965
Total expenses	$ 12,863,145	$ 715,565	$ 163,779	$ 13,742,489

	2025			
		Supporting Services		
	Program Services	Management and General	Fundraising	Total
FLC program support	$ 5,542,317	$ -	$ -	$ 5,542,317
FLC scholarships	2,140,239	-	-	2,140,239
Fees for FLC services	126,587	276,223	276,983	679,793
Total College expenses	7,809,143	276,223	276,983	8,362,349
Professional fees	57,500	54,746	-	112,246
Food and beverage	23,504	-	6,701	30,205
Other	11,331	78,422	10,225	99,978
Licenses, dues and fees	-	34,531	-	34,531
Bank and credit card fees	-	24,099	-	24,099
Depreciation	-	17,361	-	17,361
Insurance	-	10,603	-	10,603
Repairs and maintenance	-	150,882	-	150,882
Total expenses	$ 7,901,478	$ 646,867	$ 293,909	$ 8,842,254

The Fort Lewis College Foundation
Statements of Cash Flows
Years Ended June 30, 2026 and 2025

	2026	2025
Operating Activities		
Change in net assets	$ 3,268,435	$ 5,936,229
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation	17,361	17,361
Contributions restricted to endowment	(1,841,072)	(1,483,672)
Contributions of investments	(70,324)	(114,320)
Loss on uncollectable promises to give	63,637	300
Unrealized and realized gain on investments	(6,805,728)	(4,220,917)
Remeasurement loss (gain) on crypto assets	2,298,404	(642,709)
Change in beneficial interest in assets held by others	(42,476)	(47,396)
Changes in operating assets and liabilities		
Promises to give, net	(1,364,454)	2,253,512
Bequest receivable	149,308	(149,308)
Prepaid expenses and other assets	(29,749)	(1,105)
Refundable advance	246,925	(7,818)
Accrued liabilities	(6,375)	38,146
Due to/ from Fort Lewis College	(2,744)	160,596
Net Cash from (used for) Operating Activities	(4,118,852)	1,738,899
Investing Activities		
Proceeds from sales of investments	6,361,613	2,366,925
Purchases of investments	(4,265,837)	(5,569,125)
Net Cash from (used for) Investing Activities	2,095,776	(3,202,200)
Financing Activities		
Collections of contributions restricted for endowment	1,723,011	1,543,227
Net Cash from Financing Activities	1,723,011	1,543,227
Net Change In Cash, Cash Equivalents, and Restricted Cash	(300,065)	79,926
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	657,668	577,742
Cash, Cash Equivalents, and Restricted Cash, End of Year	$ 357,603	$ 657,668

Note 1 - Principal Activity and Significant Accounting Policies

Organization

The Fort Lewis College Foundation (the Foundation, we, us, our) was organized in 1969 as a Colorado nonprofit corporation exempt from federal and state income taxes. Its purpose is to enrich education, research, and cultural opportunities at Fort Lewis College (the College, FLC) by encouraging and stewarding gifts for scholarships, programs, partnerships, and facilities. Although legally separate, the College considers the Foundation a critical partner in supporting its mission.

Fundraising Success

2025-2026 represents another year of strong support for Fort Lewis College through generous gifts from our alumni and friends. Growing collaboration between FLC Advancement and campus partners, community leaders, and the FLC Foundation Board resulted in a year of significant fundraising success.

Donor investment in FLC's student-ready initiatives is at the forefront of our fundraising success, with student scholarships remaining a top area of interest. FLC received meaningful support from several donors for scholarships toward our Nursing collaborative, providing additional support for students who have increased tuition responsibilities through University of Colorado-Anschutz. Other scholarship gifts were made to create new endowed scholarship funds and support existing scholarships across FLC.

In celebration of the Investiture of FLC's 11th President, Dr. Heather Shotton, we received increases in giving to both the President's Impact Fund and the Foundation General Scholarship Fund. The President's Impact Fund will be utilized to invest in the greatest needs across FLC while the Foundation General Scholarship Fund will help our financial aid office with strategic support related to student recruitment and retention leveraging scholarship aid.

Annual support for athletics was strong with our sport specific funds doing well thanks to peer-to-peer campaigns throughout the year. FLC Softball received gifts aimed toward supporting academic success and game-day performance for student athletes through recognition that releases program funding. Skyhawk Athletic Booster Fund had significant contributions received from the community.

Philanthropic support is propelling our strategic plan forward with investments in academic success through college and departmental funding as well as experiential learning for our students through internships, research, and field study opportunities. Our reconciliation efforts resulted in philanthropic support for the Indigenous Garden, which broke ground in April 2026. Expanding our community connections resulted in key partnerships with Durango businesses that invested in student entrepreneurship endeavors through HawkTank support.

Cash, Cash Equivalents, and Restricted Cash

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, are considered to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature or held in the investment portfolio are excluded from this definition.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position to the sum of the corresponding amounts within the statements of cash flows:

	2026	2025
Cash and cash equivalents	$ 267,509	$ 500,230
Restricted cash - endowment	90,094	157,438
	$ 357,603	$ 657,668

Promises to Give

The Foundation records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2026 and 2025, the total allowance was $35,000.

Bequest Receivable

Bequests receivable are recognized as contribution revenue in the period the Foundation receives notification the court has found the will of the donor's estate to be valid and all conditions have been substantially met. Bequests receivable are stated at the amount management expects to collect. At June 30, 2026 and 2025, the bequest receivable totaled $0 and $149,308, respectively. During the years ended June 30, 2026 and 2025, planned giving commitments totaled $8.2 million and $13.1 million, respectively. No contribution revenue is recognized from such bequests until such time the gift is irrevocable and all conditions have been substantially met.

Investments

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

Property and Equipment

Property and equipment additions over $5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements 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 years ended June 30, 2026 and 2025.

Beneficial Interests in Assets Held by Others

The Foundation has been named as an irrevocable beneficiary of a trust held and administered by an independent trustee. The trust provides for the distribution of the net income of the trust to the Foundation; however, the Foundation will never receive the assets of the trust. At the date the Foundation receives notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statements of activities and a beneficial interest in assets held by others is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trust are reported at the fair value of the trusts' assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

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 Foundation's Board has designated, from net assets without donor restrictions, net assets for a board-designated endowment and operational reserve (Note 8).

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 that resources be maintained in perpetuity. The Foundation reports 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 statements of activities as net assets released from restrictions. The Foundation reports 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 from restrictions when the assets are placed in service.

Revenue and Revenue Recognition

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. The Foundation had conditional promises to give of $932,000 and $782,000 as of June 30, 2026 and 2025, respectively, with matching provisions of future fundraising efforts that have not yet been recorded in the financial statements as the conditions have not yet been met. Consequently, at June 30, 2026 and 2025, contributions of $333,616 and $86,691, respectively, have been received but not yet recognized in the accompanying statements of activities because the conditions on which they depend have not yet been met, and are presented as a refundable advance in the statements of financial position.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. The financial statements report certain categories of expenses that are attributed 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 fees for FLC services on the basis of estimates of time and effort.

Income Taxes

The Foundation is organized as a Colorado nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Foundation is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Foundation files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income.

Management believes that the Foundation has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation 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. The Foundation’s Forms 990, 990-T and other income tax filings required by state, local, or non-U.S. tax authorities are no longer subject to tax examination for years before 2023.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Foundation 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

Deposit concentration risk is managed by placing cash and money market accounts with financial institutions believed by the Foundation to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risks associated with promises to give and bequest receivable are limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, donors, and organizations supportive of the Foundation's mission. Investments are made by diversified investment managers whose performance is monitored by the Foundation and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Foundation and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organization.

The Foundation maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. At June 30, 2026 and 2025, the Foundation had approximately $77,000 and $296,000 in excess of FDIC-insured limits, respectively.

Adoption of New Accounting Standard

Effective July 1, 2025, the Foundation adopted Accounting Standards Update ("ASU") 2023-08, Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60): *Accounting for and Disclosure of Crypto Assets.* The standard requires certain crypto assets to be measured at fair value with changes in fair value recognized in the statement of activities. The ASU also requires various disclosures including the major holdings of crypto assets, reconciliation of activity from the opening to the closing balances, and other information (Note 4). Management has determined that adoption of the ASU is preferable in that the reporting will provide more useful information regarding the economics of the crypto assets and their impact on the Foundation's financial position.

The Foundation adopted the standard using the required modified retrospective approach. Implementation of ASU 2023-08 did not result in a significant cumulative-effect adjustment to opening net assets and did not have a material impact on the Foundation's financial position, changes in net assets, or cash flows.

Reclassification

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

The Foundation has evaluated subsequent events through October 22, 2026, the date the financial statements were available to be issued.

Note 2 - Liquidity

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:

	2026	2025
Cash and cash equivalents	$ 267,509	$ 500,230
Investments	6,236,098	4,014,049
	$ 6,503,607	$ 4,514,279

Endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes upon appropriation. Donor-restricted endowment funds are not available for general expenditure.

The Foundation has operational reserve funds that are subject to a reserve usage policy which totaled $1,006,896 and $954,733, respectively, at June 30, 2026 and 2025. These funds are intended to maintain short term operational continuity and service in the event of adverse financial events, and to invest in strategic or programmatic objectives that support the college mission. These amounts could be made available if necessary.

The Foundation has board-designated endowments that are subject to discretionary spending policy as described in Note 7 which totaled $1,537,937 and $1,267,741 at June 30, 2026 and 2025, respectively. Although the Foundation does not intend to spend from these board-designated endowments (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

Note 3 - Fair Value Measurements of Financial Instruments

Certain assets are reported 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 can be accessed 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, inputs are developed 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, considering 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 the Foundation's assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of investment assets are classified within Level 1 because they comprise equities and mutual funds, exchange-traded funds, or cryptocurrency with readily determinable fair values based on daily redemption values. U.S. Government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions and are classified within Level 2. The fair value of beneficial interest in perpetual trust held by others is determined using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the underlying assets and are based on the fair values of trust investments as reported by the trustees. The fair value of preferred stock of a private company is based on an annual valuation performed. These are considered Level 3 measurements.

The Foundation uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of certain hedge funds, and private equity and credit funds, which 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 in the following, at June 30, 2026:

		Fair Value Measurements at Report Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and money market funds (at cost)	$ 30,110	$ -	$ -	$ -
Mutual funds				
Domestic	26,255,141	26,255,141	-	-
International	14,368,614	14,368,614	-	-
Fixed income	15,166,558	15,166,558	-	-
U.S. Government securities	61	-	61	-
Preferred stock	104,313	-	-	104,313
At NAV				
Private equity funds	3,037,617	-	-	-
Private credit funds	4,651,502	-	-	-
Hedge funds	2,740,887	-	-	-
Total investments at fair value	$ 66,354,803	$ 55,790,313	$ 61	$ 104,313
Intangible assets - crypto	$ 3,104,859	$ 3,104,859	$ -	$ -
Beneficial interest in assets held by others	$ 731,612	$ -	$ -	$ 731,612

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 in the following, at June 30, 2025:

		Fair Value Measurements at Report Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and money market funds (at cost)	$ 11,765	$ -	$ -	$ -
Mutual funds				
Domestic	19,408,455	19,408,455	-	-
International	10,741,420	10,741,420	-	-
Fixed income	21,492,798	21,492,798	-	-
U.S. Government securities	102	-	102	-
Preferred stock	62,130	-	-	62,130
At NAV				
Private equity funds	2,834,622	-	-	-
Private credit funds	3,780,092	-	-	-
Hedge funds	3,243,143	-	-	-
Total investments at fair value	$ 61,574,527	$ 51,642,673	$ 102	$ 62,130
Intangible assets - crypto	$ 5,403,263	$ 5,403,263	$ -	$ -
Beneficial interest in assets held by others	$ 689,136	$ -	$ -	$ 689,136

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2026 and 2025:

	Preferred Stock	Beneficial Interest in Assets Held by Others
Balance at June 30, 2024	$ 35,188	$ 641,740
Sales and distributions	-	(40,000)
Net investment return	26,942	87,396
Balance at June 30, 2025	$ 62,130	$ 689,136
Sales and distributions	-	(40,000)
Net investment return	42,183	82,476
Balance at June 30, 2026	$ 104,313	$ 731,612

Investments measured at fair value using NAV per share as a practical expedient are as follows at June 30, 2026 and 2025:

	Number of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice
At June 30, 2026					
Private equity funds	10	$ 3,037,617	$ 1,114,997	Illiquid	None
Private credit funds	4	4,651,502	-	Quarterly	30 day
Hedge funds	4	2,740,887	-	Quarterly	30 day
		$ 10,430,006	$ 1,114,997		
At June 30, 2025					
Private equity funds	8	$ 2,834,622	$ 1,178,605	Illiquid	None
Private credit funds	4	3,780,092	-	Quarterly	30 day
Hedge funds	3	3,243,143	-	Quarterly	30 day
		$ 9,857,857	$ 1,178,605		

Private equity funds – funds focused on buyout, growth equity, and/or distressed debt. These investments are not readily redeemable, but a secondary market does exist. The distributions are received through the liquidation of the underlying assets in the fund.

Private credit funds – funds that target a range of private credit strategies with focus on current income by primarily investing in privately originated and negotiated U.S. senior secured floating rate loans.

Hedge funds – funds that can invest long and short, primarily in common stocks. Fund managers may invest in value, growth, or event-driven equity opportunities and typically are not restricted by market capitalization, industry sector, or geography. Leverage may be utilized, which can magnify changes in the values of the underlying securities.

Note 4 - Crypto Assets Measured at Fair Value

The Foundation holds Bitcoin and Ethereum (collectively “crypto assets”) for long-term investment purposes. The Foundation’s crypto assets are initially recorded at cost, or if donated, at fair value on the date of donation, including transaction costs. Subsequently, the Foundation remeasures its crypto assets at fair value at the end of each reporting period with changes in fair value recognized in changes in net assets.

Bitcoin and Ethereum trade in active markets which are not centrally managed or provided by one particular exchange. The Foundation determines the fair value of Bitcoin and Ethereum based on observed prices from active exchanges that the Foundation has determined are the principal markets.

The following table summarizes the Foundation's significant holdings of crypto assets at June 30, 2026, which are included in the accompanying statement of financial position:

	Units Held	Cost Basis	Fair Value
Bitcoin	32	$ 813,705	$ 1,873,720
Ethereum	785	897,304	1,231,139
		$ 1,711,009	$ 3,104,859

The following table summarizes the changes in the Foundation's aggregate crypto asset holdings for the year ended June 30, 2026 and 2025:

Balance as of June 30, 2024	$ 4,760,554
Remeasurement gains, net	642,709
Balance as of June 30, 2025	5,403,263
Remeasurement losses, net	(2,298,404)
Balance as of June 30, 2026	$ 3,104,859

Realized and unrealized gains and losses recognized during the period relating to crypto assets are reported as remeasurement gains (losses) on crypto assets, net on the statement of activities. The Foundation's crypto holdings must be held for 5 years from the gift date through June 17, 2027 and net proceeds will be added to endowment upon liquidation.

Note 5 - Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2026 and 2025:

	2026	2025
Within one year	$ 2,273,151	$ 874,739
In one to five years	885,184	837,196
	3,158,335	1,711,935
Less allowance for uncollectable promises to give	(35,000)	(35,000)
Less discount to net present value at rates from 4.73% to 6.33%	(96,941)	(69,419)
Total	$ 3,026,394	$ 1,607,516

Approximately 58% and 35% of the Foundation's unconditional promises to give as of June 30, 2026 and 2025, respectively, consisted of promises to give from two donors. Total amounts above include promises to give restricted for endowment of $212,789 and $434,073 at June 30, 2026 and 2025, respectively.

Note 6 - Property and Equipment

Property and equipment consist of the following at June 30, 2026 and 2025:

	2026	2025
Land and buildings	$ 994,400	$ 994,400
Accumulated depreciation	(379,760)	(362,399)
Total property and equipment, net	$ 614,640	$ 632,001

Property and equipment includes the President's residence, which is the only property held as of June 30, 2026 and 2025.

Note 7 - Endowments

The Foundation's endowment (Endowment) is composed of 196 individual funds established by donors (Perpetual Endowment) and 10 purpose-restricted quasi-endowment funds (Quasi-Endowment). The funds were established by donors primarily to provide student scholarships, finance special projects of the College, and supplement operating budget. The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors (Board-Designated Endowment). Perpetual Endowment funds are charitable funds whose principal must be preserved in perpetuity as a condition imposed by the donor. Quasi-Endowment funds are purpose-restricted gifts whose principal may be expended in accordance with the Foundation's spending-rate policy, with no requirement that any such expenditure be replenished. Net assets associated with Endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The 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 Perpetual Endowment gifts as of each gift date, unless there are explicit donor stipulations to the contrary. At June 30, 2026 and 2025, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the 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

As of June 30, 2026, endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment	$ 1,537,937	$ -	$ 1,537,937
Donor-restricted quasi-endowment	-	3,745,521	3,745,521
Donor-restricted endowment			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	31,526,458	31,526,458
Accumulated investment gains	-	9,538,078	9,538,078
Total endowment	$ 1,537,937	$ 44,810,057	$ 46,347,994

As of June 30, 2025, endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment	$ 1,267,741	$ -	$ 1,267,741
Donor-restricted quasi-endowment	-	3,137,703	3,137,703
Donor-restricted endowment			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	30,039,462	30,039,462
Accumulated investment gains	-	5,002,665	5,002,665
Total endowment	$ 1,267,741	$ 38,179,830	$ 39,447,571

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). The Foundation has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There were no endowment funds with deficiencies for the years ended June 30, 2026 and 2025.

Investment and Spending Policies

The Foundation has 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. The Endowment assets are invested in a manner that is intended to produce results that equal or exceed a targeted five-year rolling average of 8%. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the Foundation relies on a strategic (non-tactical) investment approach in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places greater emphasis on equity-based investment to achieve its long-term return objectives within prudent risk constraints.

An endowment spending-rate formula is used to determine the maximum amount to spend from the Endowment, including those endowments deemed to be underwater, each year. The rate, determined as 4.0% by the Board of Directors, is applied to the average market value of the Endowment investments for the prior three-years' quarters at December 31 of each year to determine the spending amount for the upcoming year. During 2026 and 2025, the spending rate minimum was 3.0% and the maximum was 4.5%. The endowment administrative fee is assessed annually at 1.5% of the market value of the Endowment at December 31.

Changes in Endowment net assets for the years ended June 30, 2026 and 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, June 30, 2024	$ 1,230,138	$ 33,388,134	$ 34,618,272
Contributions	-	1,483,672	1,483,672
Net investment return	85,912	3,809,041	3,894,953
Appropriations	(48,309)	(1,200,734)	(1,249,043)
Change in donor intent	-	699,717	699,717
Endowment Net Assets, June 30, 2025	1,267,741	38,179,830	39,447,571
Contributions	-	1,841,072	1,841,072
Net investment return	327,111	6,461,620	6,788,731
Appropriations	(56,915)	(1,782,666)	(1,839,581)
Change in donor intent	-	110,201	110,201
Endowment Net Assets, June 30, 2026	$ 1,537,937	$ 44,810,057	$ 46,347,994

During the normal course of business, the donor may change their initial intent and may designate their restricted funds for endowment. The Foundation will reclassify the amounts involved to the new classification. These reclassifications have no effect on the overall financial position.

Note 8 - Net Assets with Donor Restrictions and Board-Designated Net Assets

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30, 2026 and 2025:

	2026	2025
Subject to Expenditure for Specified Purpose		
Student support and scholarships	$ 12,061,444	$ 9,499,594
Health Sciences Center	1,376,655	2,269,367
Sky Pavilion and Indigenous Gardens	1,211,676	1,910,733
Concert Hall	445,795	573,889
Center of Southwest Studies	278,854	243,135
Alumni Programs	259,824	264,665
Radio station	162,466	124,804
Athletic Programs	43,585	62,479
Sports Performance Center	40,004	4,123,770
Term-restricted by donor and unavailable until 2027	3,104,859	5,403,263
Endowments		
Subject to appropriation and expenditure when a specified event occurs - restricted by donors for		
Student support and scholarships		
Donor-restricted quasi-endowment	3,745,521	3,137,703
Accumulated investment gains	9,538,078	5,002,665
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriations		
Student support and scholarships	31,526,458	30,039,462
Total endowments	44,810,057	38,179,830
Perpetual in nature, not subject to spending policy or appropriation		
Beneficial interest in assets held by others	731,612	689,136
Total net assets with donor restrictions	$ 64,526,831	$ 63,344,665

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by the donors as follows for the years ended June 30, 2026 and 2025:

	2026	2025
Satisfaction of purpose restrictions		
Student support, scholarships and other programs	$ 12,764,501	$ 7,940,438

Board-designated net assets represent net assets without donor restrictions, which the Board of Directors has earmarked for a specified purpose at June 30, 2026 and 2025:

	2026	2025
Board-designated endowment	$ 1,537,937	$ 1,267,741
Operational reserve	1,006,896	954,733
Total designated net assets	$ 2,544,833	$ 2,222,474

Note 9 - Related Party Transactions

The Foundation exists only to benefit the College's students, programs and activities and, as such, is supported in several ways by the College. The Foundation Board and the Board of Trustees of the College enter into an annual Memorandum of Understanding (MOU) which addresses payment for the use of facilities, personnel and services provided directly by the College, as well as other less tangible support. The College also provides coordination of fundraising initiatives and major gift solicitations. For each of the years ended June 30, 2026 and 2025, the Foundation recognized fees of $743,433 and $679,793, respectively, under the terms of the respective MOUs. At June 30, 2026 and 2025, the Foundation reflected $656,379 and $630,148, respectively, as the balance due to the College for reimbursements under the MOUs.

At June 30, 2026 and 2025, $115,666 and $86,691, respectively, was due from the College to the Foundation for an advanced payment on a conditional grant for which conditions have not yet been met.

The College leases the residence of the College President from the Foundation at an estimated annual value of $38,400 which was recorded as rental income during the years ended June 30, 2026 and 2025.

Total contribution revenue recorded from Board members was $444,462 and $486,599 for the years ended June 30, 2026 and 2025, respectively. At June 30, 2026 and 2025, $45,000 and $36,500, respectively, was outstanding on promises to give from Board members.