

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS

AUDITED FINANCIAL STATEMENTS

**Year Ended December 31, 2025
(With Comparative Totals for 2024)**

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS

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INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors
The Scholarship Foundation of St. Louis

Opinion

We have audited the accompanying financial statements of The Scholarship Foundation of St. Louis (the Foundation) (a Missouri not-for-profit corporation), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2025, and the results of its operations 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. 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 Foundation 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within 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 generally accepted 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 generally accepted 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 the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the 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 Foundation's financial statements for the year ended December 31, 2024, and our report dated May 27, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The logo for UHY LLP, featuring the letters 'UHY' in a large, stylized, cursive font, followed by 'LLP' in a smaller, simpler font.

St. Louis, Missouri
May 5, 2026

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 (With Comparative Totals for 2024)

	December 31,	
	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	\$ 3,571,181	\$ 1,620,472
Unconditional promises-to-give	18,050	37,050
Student loan receivables, net	2,276,591	2,450,375
Investments in money market funds	4,414,286	2,209,703
Prepaid expenses and other assets	80,370	67,057
Total current assets	<u>10,360,478</u>	<u>6,384,657</u>
LONG-TERM ASSETS		
Restricted funds for Future Forward Program	99,471	95,817
Student loan receivables, net	13,339,451	14,695,878
Right-of-use assets	408,110	420,171
Investments	27,111,282	24,528,218
Property and equipment, net	126,521	162,356
Total long-term assets	<u>41,084,835</u>	<u>39,902,440</u>
Total assets	<u>\$ 51,445,313</u>	<u>\$ 46,287,097</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 265,557	\$ 341,426
Unconditional promises-to-give for Future Forward Program	99,471	95,817
Current portion of operating lease liabilities	158,760	163,641
Contract liabilities	854,981	886,544
Total current liabilities	<u>1,378,769</u>	<u>1,487,428</u>
LONG-TERM LIABILITIES		
Operating lease liabilities	265,345	275,475
Contract liabilities	2,099,309	1,591,983
Total liabilities	<u>3,743,423</u>	<u>3,354,886</u>
NET ASSETS		
Without donor restrictions		
Undesignated	14,844,260	10,234,757
Board designated program reserves	1,824,864	1,709,044
Board designated emergency reserves	775,400	952,900
Net investment in student loans	15,057,552	16,558,572
Total net assets	<u>32,502,076</u>	<u>29,455,273</u>
With donor restrictions		
Total net assets	<u>15,199,814</u>	<u>13,476,938</u>
Total liabilities and net assets	<u>\$ 51,445,313</u>	<u>\$ 46,287,097</u>

See notes to financial statements and independent accountant's audit report.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
STATEMENTS OF ACTIVITIES
Year Ended December 31, 2025 (With Comparative Totals for 2024)

	Years Ended December 31,			2024 (Comparative Totals Only)
	2025		Total	
	Without Donor Restrictions	With Donor Restrictions		
PUBLIC SUPPORT AND REVENUE				
Public support				
Contributions and grants	<u>\$ 6,137,678</u>	<u>\$ 3,818,960</u>	<u>\$ 9,956,638</u>	\$ 7,106,414
	<u>6,137,678</u>	<u>3,818,960</u>	<u>9,956,638</u>	<u>7,106,414</u>
Revenue				
Net investment return				
Interest and dividends	734,450	273,660	1,008,110	930,428
Gains on investments and restricted funds	2,068,814	767,880	2,836,694	1,207,612
Investment advisory fees	<u>(46,826)</u>	<u>(24,898)</u>	<u>(71,724)</u>	<u>(83,773)</u>
	<u>2,756,438</u>	<u>1,016,642</u>	<u>3,773,080</u>	<u>2,054,267</u>
Interest income not charged on student loans	946,680	-	946,680	1,019,863
Collection fees and other	<u>192,433</u>	<u>5,382</u>	<u>197,815</u>	<u>215,609</u>
	<u>3,895,551</u>	<u>1,022,024</u>	<u>4,917,575</u>	<u>3,289,739</u>
Net assets released from restrictions	<u>3,118,108</u>	<u>(3,118,108)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>13,151,337</u>	<u>1,722,876</u>	<u>14,874,213</u>	<u>10,396,153</u>
EXPENSES				
Program services	8,777,601	-	8,777,601	9,352,422
Supporting services				
Management and general	605,525	-	605,525	655,068
Fundraising	<u>721,408</u>	<u>-</u>	<u>721,408</u>	<u>660,815</u>
Total expenses	<u>10,104,534</u>	<u>-</u>	<u>10,104,534</u>	<u>10,668,305</u>
CHANGES IN NET ASSETS	<u>3,046,803</u>	<u>1,722,876</u>	<u>4,769,679</u>	<u>(272,152)</u>
Cumulative effect of change in accounting principles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS, Beginning	<u>29,455,273</u>	<u>13,476,938</u>	<u>42,932,211</u>	<u>43,204,363</u>
NET ASSETS, Ending	<u>\$ 32,502,076</u>	<u>\$ 15,199,814</u>	<u>\$ 47,701,890</u>	<u>\$ 42,932,211</u>

See notes to financial statements and independent accountant's audit report.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
STATEMENT OF CASH FLOWS
Year Ended December 31, 2025 (With Comparative Totals for 2024)

	Years Ended December 31,	
	2025	2024
OPERATING ACTIVITIES		
Changes in net assets	\$ 4,769,679	\$ (272,152)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Loss on sale of property and equipment	-	54
Gain on investments and restricted funds	(2,836,694)	(1,207,612)
Depreciation	40,542	44,286
Provision for credit losses	402,203	1,070,947
Permanently restricted gifts for endowment	(441,952)	(54,800)
Noncash lease expense	(2,950)	4,765
Changes in		
Unconditional promises-to-give	19,000	328,124
Student loan receivables		
New loans awarded	(1,063,800)	(1,237,450)
Loans repaid	2,191,808	2,336,300
Prepaid expenses and other assets	(13,313)	9,320
Accounts payable and accrued expenses	(75,869)	179,521
Unconditional promises-to-give for Future Forward Program	3,654	(2,839)
Contract liabilities	475,763	91,483
Net cash provided by operating activities	<u>3,468,071</u>	<u>1,289,947</u>
INVESTING ACTIVITIES		
Proceeds from sale of investments	22,552,797	22,552,797
Purchases of investments	(24,508,435)	(25,613,470)
Purchases of property and equipment	(4,707)	(12,223)
Restricted funds for Future Forward Program	1,031	5,471
Net cash used by investing activities	<u>(1,959,314)</u>	<u>(3,067,425)</u>
FINANCING ACTIVITIES		
Proceeds from gifts restricted for endowment	441,952	54,800
Net cash provided by financing activities	<u>441,952</u>	<u>54,800</u>
NET (DECREASE) INCREASE IN CASH	1,950,709	(1,722,678)
CASH, Beginning	<u>1,620,472</u>	<u>3,343,150</u>
CASH, Ending	<u>\$ 3,571,181</u>	<u>\$ 1,620,472</u>
SUPPLEMENTAL DISCLOSURES		
Right of use assets obtained in exchange for operating lease liabilities	\$ 141,769	\$ -

See notes to financial statements and independent accountant's audit report.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding The Scholarship Foundation of St. Louis' (the Foundation) financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and have been consistently applied in the preparation of the financial statements.

History and Business Activity

The Foundation is a not-for-profit organization founded in 1920. The Foundation provides access to post-secondary education to members of the community who otherwise would not have the financial means to fulfill their educational goals. This mission is accomplished by awarding interest-free loans and grants to students, as well as providing guidance and planning assistance.

Approximately 15,350 students have been awarded more than \$90,832,200 in interest-free loans and more than \$36,030,500 in grants since the Foundation was established. One in seven donors is a former Foundation student.

Basis of Accounting and Comparative Totals

The Foundation prepares its financial statements on the accrual method of accounting.

The financial statements include certain prior year summarized comparative information in total but not by net asset categories. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Use of Estimates

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

Financial Statement Presentation

The Foundation's resources are classified for accounting and reporting purposes into two asset categories according to externally (donor) imposed restrictions. A description of the two net asset categories is as follows:

Net Assets Without Donor Restrictions - Includes resources available for support of program services and operations, which have no donor-imposed restrictions. All contributions are considered to be available for use and available unless specifically restricted by the donor.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation (Continued)

Net Assets Without Donor Restrictions (Continued)

The Foundation's net assets without donor restrictions are presented in the accompanying statement of financial position as follows:

- Undesignated: represents resources available for current program services and operations
- Board designated program reserves: represents resources set aside for specific program needs (primarily loans and grants) as determined by the governing board
- Board designated emergency reserves: represents resources that the governing board has designated unrestricted net assets to be reserved for:
 - a) operating expenses,
 - b) program commitments to renewing students with certain offsets, and
 - c) repair, maintenance and capital expenditures.
- Investment in student loans: represents outstanding student loan receivables

Net Assets With Donor Restrictions

Represents those net assets whose use has been limited by donor-imposed stipulations. Some donor-imposed 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-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity and the income from such resources can be spent for program related expenses. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash

Cash includes checking and depository accounts.

The Foundation from time to time during the year may have bank balances in excess of its insured limits. Management has deemed this as a normal business risk.

Unconditional Promises-to-Give

Unconditional promises-to-give are recognized as contributions in the period the promises are received. Contributions expected to be received in future years are discounted to their present value and presented as long-term assets. At December 31, 2025 and 2024, all contributions receivable are due in less than one year and management considers contributions receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — Summary of Significant Accounting Policies (Continued)

Conditional Promises-to-Give

In 2011, the Foundation was notified of its interest in a charitable lead annuity trust related to a bequest made in 2009. The terms of the trust provide for the Foundation to receive 15 annual distributions of \$300,000 per year; however, the terms of the trust provide the third-party trustee with variance power after the first two years of payments to the Foundation. The final distribution was received in 2024 and concluded the bequest.

The Foundation has various conditional grant agreements with commitments for future funding. Since these grant agreements are conditional commitments with barriers, the future funding commitments are not reflected in the accompanying financial statements.

Student Loan Receivables

The Foundation provides interest-free loans to students for post-secondary education. Loans are awarded twice a year with a maximum award of \$11,000 per year for a student and lifetime maximum loan of \$55,000.

Student loans are stated at cost when awarded. The student is obligated to start repaying loans upon graduation after twelve months of grace period or approved deferment period. No interest is charged or accrued on loans while a student is actively enrolled in school or during the scheduled or approved repayment period.

Historically, repayment of loans was scheduled over a period of 5 years. However, during the year ended December 31, 2021, the Foundation modified its repayment policy in order to achieve more equitable outcomes for its borrowers. Under the new policy, each borrowers' monthly repayment amount is determined by their anticipated earnings 2 years post-graduation and 15% of their estimated discretionary income. Then, the total loan amount is divided by the monthly repayment amount to determine the number of months needed to repay.

Allowance for Credit Losses (ACL)

The allowance for credit losses is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. The amount of the ACL represents management's best estimate of current expected credit losses on loans considering available information, from internal and external sources, relevant to assessing the collectability of the loans' contractual terms.

The ACL is estimated based on expected credit losses considering the Foundation's historical losses, existing economic conditions, and the financial stability of students repaying loans using the loss rate method. Loans are analyzed both as a pool and on an individualized basis. Individualized loans are assigned a specific allocation based on their status of in repayment or in collections while pooled loans are applied at a loss rate that is comprised of expected loan loss and historical loss rates.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — Summary of Significant Accounting Policies (Continued)

Allowance for Credit Losses (ACL) (Continued)

If any student loan installment becomes delinquent and new contractual terms are not reached, the accounts are turned over to a collection agency and the entire balance owed shall immediately become due and payable. The balance owed shall bear interest at a rate equal to the lesser of ten percent (10%) per year or the highest lawful rate. In addition, the debtor is liable for all costs of collection including reasonable attorney's fees. Interest income on student loans is recognized only to the extent cash payments are received. Loans are charged off against the allowance when management believes the uncollectibility of a loan balance is confirmed. Expected recoveries do not exceed the aggregate of amounts previously charged-off and expected to be charged-off.

Investments

Investments consist of mutual funds and money market funds. Additionally, the money market funds with maturities less than one year are classified as current investments, whereas those with maturities greater than one year are classified as long-term investments. Investments are presented in the financial statements at fair value. The fair value of substantially all securities is determined by quoted market prices. The estimated fair value of securities for which there are no quoted market prices is based on similar types of securities that are traded in the market. Gains or losses on securities are based on the average cost method.

Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Foundation determines the fair values of its financial instruments based on the fair value hierarchy established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Financial instruments are valued based on quoted prices in active markets for identical assets or liabilities.

Level 2: Financial instruments are valued using quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities.

Level 3: Financial instruments are valued using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable and when determination of the fair value requires significant management judgment or estimation.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

Declines in the fair value of individual investments below their cost that are other-than-temporary result in write-downs of the individual securities to their fair value. The related write-downs are included in earnings as realized losses. In estimating other-than-temporary impairment losses, management considers (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. There were no such losses for the years ended December 31, 2025 and 2024.

Restricted Funds for Future Forward Program

Restricted funds represent investments that are restricted for the Future Forward Program.

Leases

The Foundation determines if an arrangement is a lease at inception by determining whether the agreement conveys the right to control the use of the identified asset for a period of time, whether the Foundation has the right to obtain substantially all of the economic benefits from use of the identified asset, and the right to direct the use of the asset. Lease liabilities are recognized at the commencement date based upon the present value of the remaining future minimum lease payments over the lease term using the rate implicit in the lease or risk free rate. The risk free rate is defined as the daily treasury par yield curve rate for a period of time that approximates the lease term. The Foundation's lease terms include options to renew or terminate the lease when it is reasonably certain that it will exercise the option. The Foundation elected a short-term lease exception policy, which allows entities to not apply the standard to short-term leases (i.e. leases with terms of 12 months or less).

The lease right-of-use assets are initially measured at the carrying amount of the lease liability and adjusted for any prepaid or accrued lease payments, remaining balance of lease incentives received, unamortized initial direct costs, or impairment charges relating to the right-of-use-asset. Certain leases contain escalation clauses, which are factored into the right-of-use asset where appropriate. Lease expense for minimum lease payments are recognized on straight-line basis over the lease term.

The Foundation has lease agreements with lease and non-lease components. For all leases, these components are accounted for as a single lease component.

Variable lease expenses, including payments based upon changes in a rate or index, such as consumer price indexes, usage of the leased asset, utilities, real estate taxes, insurance and variable common area maintenance are expensed as incurred. The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Purchases of property and equipment with values of \$2,500 or more are capitalized, while all other purchases are recorded as expense in the year purchased. Property and equipment are recorded at cost, if purchased, or at estimated fair market value on the date of receipt, if donated. 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 statements of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Foundation reviews the carrying value of property and equipment 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 was no impairment for the years ended December 31, 2025 and 2024.

Depreciation is computed using the straight line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Leasehold Improvements	Term of Lease
Equipment	5 - 7
Furniture and Fixtures	5 - 7

Unconditional Promises-to-Give for Future Forward Program (Liabilities)

Unconditional promises-to-give for Future Forward Program (Section 529 College Savings accounts) are recorded as liabilities and expenses in the period the promises are made.

Contract liabilities

Contract liabilities (deferred revenue) represents cash received from non-exchange grants and contracts that include conditions (specific measurement requirements) and have refundable provisions prior to performance by the Foundation. Contract liabilities were \$2,387,044 as of January 1, 2024.

Annuity Trusts, Gift Annuities, and Beneficial Interests in Trusts

As disclosed in Note 1 (conditional promises-to-give), the Foundation recognized \$-0- and \$150,000 of public support bequest revenue from a charitable lead annuity trust during the years ended December 31, 2025 and 2024, respectively.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and Grants

Contributions are considered to be available for the general programs of the Foundation unless specifically restricted by the donor. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are released to net assets without donor restriction and reported in the statement activities as net assets released from restrictions. Donor restricted contributions are recorded in the net asset with donor restriction class for restrictions expiring during the fiscal year, and then transferred to net assets without donor restrictions. The Foundation reports certain restricted contributions as net assets without donor restriction when the restriction is fulfilled in the same time period in which the contribution is received.

Grants are generally recognized as revenue in the period that specific services are performed. However, certain grants may qualify as contributions, and accordingly, they are recognized as public support when made.

Grants and Student Loans Awarded

Grants are recognized as expense based on actual award and/or date of promise.

The Foundation provides interest-free loans to qualified students for post-secondary education. The outstanding loans are presented on the Statement of Financial Position as student loan receivables.

Noncash Interest Income and Grant Expense

The Foundation records imputed interest income on student loans. To determine a comparable rate, the Foundation used a 12-year average rate consistent with the Federal Student Aid Direct Subsidized Loan rate, plus the Disbursement Fee rate for new loan disbursements. The 12-year average rate was 4.51% and 4.25% at December 31, 2025 and 2024, respectively. The loan disbursement rate was 1.1% at December 31, 2025 and 2024. As a result, noncash interest income and grant expense - forgone interest not charged on student loans of \$946,680 and \$1,019,863 was recognized for the years ended December 31, 2025 and 2024, respectively, in the statement of activities.

Income Taxes

The Foundation is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.

For income tax reporting, the Foundation reports on the modified cash basis, which includes reporting student loan receivables as "interest-free" and "fee-free" grant expense and student loan repayments as program revenue. For financial reporting, the Foundation reports these student loan transactions as components of the asset "student loans receivable." In addition, the noncash transactions for interest income on student loans and grants - forgone interest are recorded for financial statement purposes but not for income tax purposes. As a result, there are significant differences in reporting these items.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments and Credit Risk

The Foundation manages deposit concentration risk 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, the Foundation has not experienced losses in any of these accounts. Credit risk associated with student loan receivables and promises-to-give is considered to be limited due to high historical collection rates. Investments are made by diversified investment managers whose performance is monitored by the Foundation and the Finance and Planning 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 Finance and Planning Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

Functional Expenses

The Foundation allocates expenses on a functional basis among program and supporting services. Expenses that can be directly associated with a specific program are allocated directly according to their functional expense classification. Other expenses that are common to several functions are allocated by various statistical bases, including time estimates for personnel to allocate compensation, payroll taxes and employee benefits.

Donated Securities

The Foundation has a policy to immediately sell donated securities from donors and utilize those resources for unrestricted activities unless restricted by the donor for long-term purposes. The Foundation recognized donated securities of \$1,078,718 and \$86,271 during the years ended December 31, 2025 and 2024, respectively.

Subsequent Events

The Foundation has performed a review of events subsequent to the statement of financial position date through May 5, 2026, the date the financial statements were available to be issued.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 2 — LIQUIDITY AND AVAILABILITY

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:

	December 31,	
	2025	2024
Cash and Cash Equivalents *	\$ 2,534,358	\$ 630,889
Unconditional Promises-to-Give	18,050	37,050
Student Loan Receivables	2,276,591	2,450,375
Investments in Money Markets **	4,320,035	2,161,194
Endowment Spending-Rate Distributions and Appropriations	<u>301,726</u>	<u>205,617</u>
	9,450,760	5,485,125
Less Certain Board Designated Funds	<u>838,400</u>	<u>1,015,900</u>
	<u>\$ 8,612,360</u>	<u>\$ 4,469,225</u>

*Excludes cash restricted for donor specified projects

**Excludes amounts restricted for permanent endowment, specified projects, and related accumulated earnings.

The Foundation's endowment funds consist of donor-restricted endowments. Income from endowments is restricted for donor imposed purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

As part of the Foundation's liquidity management plan, cash in excess of daily requirements is invested in short-term investments and money market funds. Occasionally, the Board of Directors designates a portion of any operating surplus to its program and emergency reserves.

NOTE 3 — RESTRICTED FUNDS FOR FUTURE FORWARD PROGRAM

Restricted funds consist of \$99,471 and \$95,817 as of December 31, 2025 and 2024, respectively.

The Future Forward Program (a 529 College Saving Plan) was launched during 2014 to establish college saving accounts for students attending two local middle schools and a youth agency. As of December 31, 2025, the Foundation has funded a total of \$181,200 to open the student saving accounts with MOST - Missouri's 529 College Saving Plan. These funds include cumulative investments gains of \$38,700 and 34,015 and are net of cumulative disbursements to qualified students of \$120,429 and 119,338 as of December 31, 2025 and 2024, respectively. The Foundation is the owner of these accounts with the student listed as the beneficiary. The Foundation has conditionally pledged additional funding up to \$900 per student based on certain criteria as defined in the Future Forward Program. These funds are invested in the Vanguard Conservative Growth Portfolio fund (mutual fund, level 1 fair value - Note 6) and had an unrealized gain of \$4,685 and \$2,632 for the years ended December 31, 2025 and 2024, respectively.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 4 — STUDENT LOAN RECEIVABLES

Student loan receivables consist of the following:

	December 31,	
	2025	2024
Students in School - Amounts Not Due (*)	<u>\$ 6,029,231</u>	<u>\$ 6,549,279</u>
Students in Repayment		
Current or less than 30 days past due	9,174,540	10,108,966
30 - 89 days past due	25,395	35,363
90 days past due	32,851	22,368
In collections	<u>4,598,689</u>	<u>4,921,404</u>
	<u>13,831,475</u>	<u>15,088,101</u>
Total student loan receivables	19,860,706	21,637,380
Less current expected credit losses	<u>4,244,664</u>	<u>4,491,127</u>
Net student loan receivables	15,616,042	17,146,253
Less Current Portion (Estimated Repayments in 2026 and 2025)	<u>2,276,591</u>	<u>2,450,375</u>
Long-Term Student Loan Receivables (Estimated Repayments Beyond 2026 and 2025)	<u>\$ 13,339,451</u>	<u>\$ 14,695,878</u>

(*) Including grace period.

Changes in the allowance for credit losses are as follows:

	As of and for the Years Ended December 31,	
	2025	2024
Balance, Beginning	\$ 4,491,127	\$ 4,922,395
Provision for current expected credit losses	402,203	1,070,947
Recoveries on loans	58,631	91,139
Less loans written off	<u>(707,297)</u>	<u>(1,593,354)</u>
Balance, Ending	<u>\$ 4,244,664</u>	<u>\$ 4,491,127</u>

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 4 — STUDENT LOAN RECEIVABLES (Continued)

The following table presents the balance in the allowance for credit losses and the recorded student loan receivables by classification and based on impairment method at December 31, 2025 and 2024. Loans individually evaluated for impairment include loans that are in collection. Loans collectively evaluated for impairment include loans with an in school or in repayment status.

	December 31,	
	2025	2024
<i>Allowance for credit losses:</i>		
Individually evaluated for impairment	\$ (1,529,659)	\$ (1,575,720)
Collectively evaluated for impairment	(2,715,005)	(2,915,407)
Balance, end of year	<u>(4,244,664)</u>	<u>(4,491,127)</u>
<i>Loan outstanding, net of allowance</i>		
Individually evaluated for impairment	\$ 3,069,030	\$ 3,345,683
Collectively evaluated for impairment	12,547,012	13,800,570
Balance, end of year	<u>\$ 15,616,042</u>	<u>17,146,253</u>

The following table presents the student loan receivables segregated by risk category as of December 31, 2025:

	December 31, 2025						Total
	Student Loans Amortized Cost by Origination Year						
	2025	2024	2023	2022	2021	Prior	
Student Loans							
In School	\$ 1,096,400	\$ 1,113,050	\$ 888,950	\$ 628,264	\$ 576,218	\$ 1,726,349	\$ 6,029,231
In Repayment	1,100	82,050	321,544	599,217	1,096,560	7,132,315	9,232,786
In Collections	-	13,000	44,544	74,000	151,010	4,316,135	4,598,689
Subtotal	<u>1,097,500</u>	<u>1,208,100</u>	<u>1,255,038</u>	<u>1,301,481</u>	<u>1,823,788</u>	<u>13,174,799</u>	<u>\$ 19,860,706</u>
Current Period Charge-Offs	-	-	-	-	11,000	696,267	\$ 707,297

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 4 — STUDENT LOAN RECEIVABLES (Continued)

The following table provides information about the credit risk of student loans using the Foundation’s internal review process. Student loans are generally not due and payable while a student is enrolled in school and during a one-year grace period following graduation. These loan balances are classified as low risk. Loans that are not yet in repayment or are in repayment and being paid on schedule are also classified as low risk. When a student loan is in repayment status and a portion of the debtor’s loan balance becomes past due, communication between the Foundation and debtor may result in extension or deferment of the debt. This group of debtors is considered average risk as there is a detailed review of the debtor’s current financial condition and ongoing communication between the Foundation and the debtor. When communication with the debtor ceases or there is a further deterioration of the debtor’s performance in meeting loan repayment obligations, the loan balance is referred to an external professional collection firm. The loan balance in collections is subject to a specific allowance calculation, although some accounts in this category may exhibit a strong repayment track record. The Foundation continues to monitor accounts in collections for improvement or further deterioration.

	December 31,	
	<u>2025</u>	<u>2024</u>
Student Loans		
Pooled loans – average or low risk	\$ 15,262,017	\$ 16,715,976
Specific - in collection	<u>4,598,689</u>	<u>4,921,404</u>
	<u>\$ 19,860,706</u>	<u>\$ 21,637,380</u>

NOTE 5 — INVESTMENTS

Investments consist of the following:

	December 31,	
	<u>2025</u>	<u>2024</u>
Mutual Funds		
iShares Core SP 500 ETF	\$ 6,020,623	\$ 5,156,248
iShares Core Aggregate Bond ETF	4,468,032	3,263,398
All other mutual funds	<u>16,622,627</u>	<u>16,108,572</u>
	27,111,282	24,528,218
Money Market Funds	<u>4,414,286</u>	<u>2,209,703</u>
	31,525,568	26,737,921
Less Short-Term Investments	<u>4,414,286</u>	<u>2,209,703</u>
	<u>\$ 27,111,282</u>	<u>\$ 24,528,218</u>

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 5 — INVESTMENTS (Continued)

Investments are classified as follows:

	December 31,	
	2025	2024
Those With Donor Restrictions		
Specified purposes	\$ 3,055,263	\$ 2,402,626
Endowment funds	<u>7,629,557</u>	<u>6,460,249</u>
	10,684,820	8,862,875
Those Without Donor Restrictions	<u>20,840,748</u>	<u>17,875,046</u>
	<u>\$ 31,525,568</u>	<u>\$ 26,737,921</u>

NOTE 6 — FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

- *Mutual funds*: Valued at the daily closing price reported by the fund, which is the quoted publicly traded net asset value (NAV) of shares.
- *Money market funds*: Valued at quoted prices in markets that are not active which the individual securities are traded.
- *Annuities payable*: Valued at the present value of expected future payments to the beneficiary.

The following are the major categories of assets and liabilities measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Fair Value	Fair Value
	December 31, 2025				December 31, 2024
<i>Assets-Investments</i>					
Mutual funds					
Equities	\$ 16,914,129	\$ -	\$ -	\$ 16,914,129	\$ 14,673,617
Fixed income	<u>10,197,153</u>	-	-	<u>10,197,153</u>	<u>9,854,601</u>
	27,111,282	-	-	27,111,282	24,528,218
Money market funds	<u>4,414,286</u>	-	-	<u>4,414,286</u>	<u>2,209,703</u>
2025 Totals	<u>\$ 31,525,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,525,568</u>	
2024 Totals	<u>\$ 26,737,921</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,737,921</u>	<u>\$ 26,737,921</u>
<i>Assets-Restricted Funds</i>					
2025	<u>\$ 99,471</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,471</u>	
2024	<u>\$ 95,817</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 95,817</u>

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 7 — PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	December 31,	
	2025	2024
Leasehold Improvements	\$ 47,888	\$ 47,888
Equipment	248,510	245,423
Furniture and Fixtures	<u>53,369</u>	<u>53,369</u>
	349,767	346,680
Less Accumulated Depreciation	<u>223,246</u>	<u>184,324</u>
	<u>\$ 126,521</u>	<u>\$ 162,356</u>

Depreciation expense for the years ended December 31, 2025 and 2024 was \$40,542 and \$44,286, respectively.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 8 — NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods.

	December 31,	
	2025	2024
Subject to Expenditure for Specified Purpose		
Other program restrictions		
Advising	\$ 148,259	\$ 249,759
Advocacy	18,252	30,510
Grants	4,230,913	3,318,334
Loans	1,282,160	1,712,160
Miscellaneous	45,294	23,219
Program	<u>226,200</u>	<u>181,200</u>
	5,951,078	5,515,182
Deedee Becker Fund - loans to nursing students (*)	<u>1,601,129</u>	<u>1,464,457</u>
	<u>7,552,207</u>	<u>6,979,639</u>
Subject to the Passage of Time	<u>18,050</u>	<u>37,050</u>
Endowment Funds (Note 10)		
Subject to the Foundation's spending policy and appropriation		
14 and 12 separate funds, respectively	3,017,786	2,575,840
Earnings allocated to the Deedee Becker Fund		
1 separate fund	<u>1,993,442</u>	<u>1,993,442</u>
	5,011,228	4,569,282
Accumulated investment gains	<u>2,618,329</u>	<u>1,890,967</u>
	<u>7,629,557</u>	<u>6,460,249</u>
	<u>\$ 15,199,814</u>	<u>\$ 13,476,938</u>

* Includes net student loan receivables of \$558,490 and \$587,681 as of December 31, 2025 and 2024, respectively.

Net assets were released from donor restrictions by incurring expenses, satisfying the restricted purposes or by occurrence of other events specified by donors as follows for the year ended December 31, 2025:

Purpose Restrictions	\$ 2,841,447
Time Restrictions	76,409
Endowment Appropriations	<u>200,252</u>
Total restrictions released	<u>\$ 3,118,108</u>

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 9 — ENDOWMENT

The Foundation's endowment consists of twelve funds established by donors to provide for program purposes (Note 9). Net assets associated with endowment funds are classified and reported based on the existence or absence of donor restrictions.

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds.

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the Foundation must hold in perpetuity or for a donor specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the appropriate index while assuring a moderate level of investment risk. Therefore, the Foundation expects its endowment assets, over time, to produce an average rate of return of approximately 5.0% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy 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 a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 9 — ENDOWMENT - (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds, for grant making and administration. The Foundation has a spending policy to distribute each year a percentage of the endowment funds' historical cost. The spending rate is determined based on market conditions, endowment valuation, and total return (using both income and net capital appreciation) for the prior 12 quarters. This is consistent with the Foundation's objective to maintain the purchasing power of endowment assets and consistency with programs and commitments to students over a long-term period. During the years ended December 31, 2025 and 2024, the spend formula was based on 4.5% of the historical cost.

Endowment net asset composition by type of fund is as follows:

	December 31,	
	2025	2024
Donor Restricted Funds - Managed by the Foundation		
Original donor restricted gift amount	\$ 5,011,228	\$ 4,569,282
Accumulated investment gains	<u>2,618,329</u>	<u>1,890,967</u>
	<u>\$ 7,629,557</u>	<u>\$ 6,460,249</u>

Changes in endowment net assets are as follows:

	As of and for the Years Ended December 31,	
	2025	2024
Endowment Net Assets		
Beginning of year	\$ 6,460,249	\$ 5,932,732
Gifts	441,952	54,800
Interest and dividends	249,345	187,849
Gains on investments	703,161	488,861
Investment advisory fees	(24,898)	(19,436)
Appropriated for expenditure based on spending rate policy	<u>(200,252)</u>	<u>(184,557)</u>
End of year	<u>\$ 7,629,557</u>	<u>\$ 6,460,249</u>

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 10 — LEASES

The Foundation has operating leases for offices, equipment, and copiers. The Foundation's leases have remaining lease terms that range from less than one year to leases that mature through 2027 and contain provisions to renew the leases for additional terms of one to five years.

The components of lease costs are as follows:

	Years Ending December 31,	
	2025	2024
Operating lease expense	\$ 168,078	\$ 171,884
Short-term lease expense	2,964	2,502
Variable lease expense	2,902	9,787
	<u>\$ 173,944</u>	<u>\$ 184,173</u>

The weighted average remaining lease term of third party operating leases was 2.59 and 2.71 as of December 31, 2025 and 2024, respectively. The weighted average discount rate of third party operating leases was 4.01% and 3.08% as of December 31, 2025 and 2024, respectively.

Minimum future lease payments under operating leases described above as of December 31 are as follows:

Year Ending <u>December 31,</u>	
2026	\$ 172,560
2027	174,533
2028	93,210
2029	<u>6,580</u>
Total undiscounted cash flows	446,883
Less: present value discount	<u>22,778</u>
Total lease liabilities	424,105
Current portion	<u>158,760</u>
Long-term portion	<u>\$ 265,345</u>

Rent expense for ongoing operations, including common area maintenance, was \$157,455 and \$160,446 for the years ended December 31, 2025 and 2024, respectively, and is included in occupancy in the functional expense allocation.

Equipment rental expense was \$13,525 and \$18,318 for the years ended December 31, 2025 and 2024, respectively and is included in occupancy in the functional expense allocation.

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 11 — DEFERRED COMPENSATION 403(b) PLAN

The Foundation offers a 403(b) deferred compensation plan for all eligible employees upon their first day of employment.

The Foundation matches the employee deferred amount immediately. The match is 50% of employee contributions up to 6% of salary. The Foundation contributed a total of \$50,599 and \$48,451 to the plan for the years ended December 31, 2025 and 2024, respectively.

NOTE 12 — MAJOR PUBLIC SUPPORT

The Foundation received \$3,450,171 and \$3,521,526 from two and three donors of its gifts and grants representing 35% and 50% during the years ended December 31, 2025 and 2024, respectively.

NOTE 13 — COMMITMENTS

As disclosed in Note 1, the Foundation provides interest-free loans and grant awards to students for post-secondary education. The Foundation has approved the following student loans and grant awards:

<u>Year Ending December 31,</u>	<u>Student Loans</u>	<u>Grant Awards</u>
2026	\$ 1,300,000	\$ 5,427,400
2027	<u>1,300,000</u>	<u>4,509,900</u>
	<u>\$ 2,600,000</u>	<u>\$ 9,937,300</u>

THE SCHOLARSHIP FOUNDATION OF ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 14 — FUNCTIONAL EXPENSE ALLOCATION

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 salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, and other, which are allocated on the basis of time and effort.

	Years Ended December 31,				2024
	2025				
	Program Services	Management and General	Fund Raising	Total	
	<u>Supporting Services</u>				
Functional Expenses - Financial Reporting					
Compensation, Including Payroll					
Taxes and Employee Benefits	\$ 1,261,868	\$ 355,693	\$ 542,507	\$ 2,160,068	\$ 2,155,326
Collection Fees	205,099	-	-	205,099	251,986
Community Programs	74,653	-	-	74,653	43,054
Information Technology	74,856	37,427	21,306	133,589	126,374
Meetings and Conferences	98,313	10,982	2,538	111,833	118,023
Occupancy	101,950	28,728	43,831	174,509	189,363
Other Items	86,669	35,018	64,310	185,997	197,043
Professional Fees	115,520	137,677	46,916	300,113	199,332
Provision for Uncollectible Loans	402,203	-	-	402,203	1,070,947
Grants - Forgone Interest Not					
Charged on Student Loans #	946,680	-	-	946,680	1,019,863
Grants Awarded	<u>5,409,790</u>	<u>-</u>	<u>-</u>	<u>5,409,790</u>	<u>5,296,994</u>
TOTAL EXPENSES – 2025	<u>\$ 8,777,601</u>	<u>\$ 605,525</u>	<u>\$ 721,408</u>	<u>\$ 10,104,534</u>	
TOTAL EXPENSES – 2024	<u>\$ 9,352,422</u>	<u>\$ 655,068</u>	<u>\$ 660,815</u>		<u>\$ 10,668,305</u>
Functional Expenses – Income Tax Reporting (IRS Form 990)					
Expenses Per Financial Reporting	\$ 8,777,601	\$ 605,525	\$ 721,408	\$ 10,104,534	\$ 10,668,305
Grants - Loans Made to Students	1,063,800	-	-	1,063,800	1,237,450
Investment Advisory Fees					
(Included in Revenues)	-	71,724	-	71,724	83,773
Grants - Forgone Interest Not					
Charged on Student Loans #	<u>(946,680)</u>	<u>-</u>	<u>-</u>	<u>(946,680)</u>	<u>(1,019,863)</u>
TOTAL EXPENSES - 2025	<u>\$ 8,894,721</u>	<u>\$ 677,249</u>	<u>\$ 721,408</u>	<u>\$ 10,293,378</u>	
PERCENTAGE - 2025	<u>86.4%</u>	<u>6.6%</u>	<u>7.0%</u>	<u>100.0%</u>	
TOTAL EXPENSES - 2024	<u>\$ 9,570,009</u>	<u>\$ 738,841</u>	<u>\$ 660,815</u>		<u>\$ 10,969,665</u>
PERCENTAGE - 2024	<u>87.3%</u>	<u>6.7%</u>	<u>6.0%</u>		<u>100.0%</u>

Refer to Note 1 on page 10.