

COLORADO CHILDREN'S CAMPAIGN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

COLORADO CHILDREN'S CAMPAIGN
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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TAYLORROTH

Certified Public Accountants

WORKING EXCLUSIVELY WITH NONPROFITS

April 27, 2026

Independent Auditors' Report

Board of Directors
Colorado Children's Campaign
Denver, Colorado

Opinion

We have audited the accompanying financial statements of **Colorado Children's Campaign**, (a Colorado nonprofit corporation), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colorado Children's Campaign as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Colorado Children's Campaign 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 Colorado Children's Campaign'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, including omissions, 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.

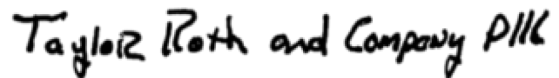
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Colorado Children’s Campaign'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 Colorado Children’s Campaign'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 Colorado Children’s Campaign’s 2024 financial statements, and expressed an unmodified audit opinion on those audited financial statements in our report dated July 28, 2025. 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.



TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
DENVER COLORADO

COLORADO CHILDREN'S CAMPAIGN
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 960,539	\$ 1,408,261
Certificate of deposit (Note 3)	504,473	264,833
Contribution and other receivables	2,000	4,425
Grants receivable (Note 4)	720,000	545,000
Prepaid expenses	67,394	61,774
Operating lease right of use asset (Note 5)	171,497	234,782
Finance lease right of use asset (Note 5)	28,885	6,395
Property and equipment (Note 6)	-	4,898
Beneficial interests in assets held by others (Note 7)	<u>1,378,451</u>	<u>1,199,300</u>
Total assets	<u>\$ 3,833,239</u>	<u>\$ 3,729,668</u>
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 18,373	\$ 42,038
Accrued payroll	201,927	164,120
Operating lease liability (Note 5)	193,834	262,558
Finance lease liability (Note 5)	<u>29,476</u>	<u>7,277</u>
Total liabilities	<u>443,610</u>	<u>475,993</u>
<u>Net assets</u>		
Without donor restrictions	462,005	581,035
With donor restrictions		
Program related (Note 8)	786,675	685,835
Time restricted for future periods (Note 8)	762,498	787,505
Endowments (Note 7)	<u>1,378,451</u>	<u>1,199,300</u>
	<u>2,927,624</u>	<u>2,672,640</u>
Total net assets	<u>3,389,629</u>	<u>3,253,675</u>
Total liabilities and net assets	<u>\$ 3,833,239</u>	<u>\$ 3,729,668</u>

The accompanying notes are an integral part of these financial statements

COLORADO CHILDREN'S CAMPAIGN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions Program and Time		Endowments	Total	Total
<u>Revenue and other support</u>						
Foundations (Note 9)	\$ 144,556	\$1,594,000	\$ 35,000	\$1,773,556	\$2,059,291	
CARES Act funding (Note 10)	373,935	-	-	373,935	114,385	
Individuals and other	321,181	11,550	16	332,747	113,080	
Investment return	39,579	-	129,135	168,714	141,524	
Special events income	248,539	-	-	248,539	68,104	
Less: direct expenses	(82,876)	-	-	(82,876)	(28,304)	
Miscellaneous income	3,120	-	-	3,120	-	
In-kind contributions (Note 11)	6,982	-	-	6,982	8,748	
Net assets released from restrictions (Note 12)	<u>1,529,717</u>	<u>(1,529,717)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total revenue and other support	<u>2,584,733</u>	<u>75,833</u>	<u>164,151</u>	<u>2,824,717</u>	<u>2,476,828</u>	
<u>Expense</u>						
Program services	1,862,169	-	-	1,862,169	2,178,892	
<u>Supporting services</u>						
Management and general	437,010	-	-	437,010	449,806	
Fund-raising	<u>389,584</u>	<u>-</u>	<u>-</u>	<u>389,584</u>	<u>337,765</u>	
Total expense	<u>2,688,763</u>	<u>-</u>	<u>-</u>	<u>2,688,763</u>	<u>2,966,463</u>	
Change in net assets from operating activities	(104,030)	75,833	164,151	135,954	(489,635)	
Establishment of endowment	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	
Change in net assets	(119,030)	75,833	179,151	135,954	(489,635)	
Net assets, beginning of year	<u>581,035</u>	<u>1,473,340</u>	<u>1,199,300</u>	<u>3,253,675</u>	<u>3,743,310</u>	
Net assets, end of year	<u>\$ 462,005</u>	<u>\$1,549,173</u>	<u>\$ 1,378,451</u>	<u>\$3,389,629</u>	<u>\$3,253,675</u>	

The accompanying notes are an integral part of these financial statements

COLORADO CHILDREN'S CAMPAIGN
STATEMENT OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

Description	2025			2024	
	Program	Supporting Services		Total	Total
		Management and General	Fund-raising		
Salaries	\$ 1,104,912	\$ 143,977	\$ 250,543	\$ 1,499,432	\$ 1,373,219
Payroll taxes and benefits	218,522	28,475	49,551	296,548	277,447
Contract services	209,207	-	-	209,207	378,321
Accounting and audit	-	138,464	-	138,464	144,639
Rent	98,391	12,816	22,295	133,502	141,935
Rebranding (Note 13)	-	80,046	-	80,046	25,904
Printing and design	78,319	-	-	78,319	37,351
Events & meetings	22,822	6,494	16,121	45,437	39,499
Dues and subscriptions	30,377	3,957	6,883	41,217	48,430
Technology support	25,540	3,866	9,739	39,145	53,466
Staff development and hiring	20,394	2,656	4,621	27,671	10,429
Sponsorships	3,495	-	17,227	20,722	12,109
Conferences	9,527	2,723	805	13,055	8,486
Insurance	7,343	957	1,664	9,964	8,801
Telephone	5,915	770	1,340	8,025	7,875
Legal	-	6,982	-	6,982	8,748
Travel	4,746	679	1,153	6,578	12,715
Supplies	4,305	561	975	5,841	3,863
Equipment	4,072	530	923	5,525	5,696
Bank fees and finance charges	-	252	2,916	3,168	1,726
Interest	1,146	149	260	1,555	558
Postage	809	106	184	1,099	50
Advertising	553	351	-	904	1,200
Grants to others (Note 9)	-	-	-	-	265,044
Participant stipends	-	-	-	-	74,175
All other	3,376	630	683	4,689	10,609
	<u>1,853,771</u>	<u>435,441</u>	<u>387,883</u>	<u>2,677,095</u>	<u>2,952,295</u>
Depreciation and amortization	<u>8,398</u>	<u>1,569</u>	<u>1,701</u>	<u>11,668</u>	<u>14,168</u>
Total expenses	<u>\$ 1,862,169</u>	<u>\$ 437,010</u>	<u>\$ 389,584</u>	<u>\$ 2,688,763</u>	<u>\$ 2,966,463</u>

The accompanying notes are an integral part of these financial statements

COLORADO CHILDREN'S CAMPAIGN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	<u>2025</u>	<u>2024</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 135,954	\$ (489,635)
Adjustments to reconcile change in net assets to net cash provided(used) by operating activities		
Loss on write-off of finance lease right of use asset	2,666	-
Depreciation and amortization	11,668	14,168
Contributions restricted to endowments	(35,016)	(1,005)
Endowment investment (income)	(129,135)	(85,786)
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in contribution and other receivables	2,425	26,372
(Increase)decrease in grants receivable	(175,000)	(235,000)
(Increase)decrease in prepaid expenses	(5,620)	(8,017)
Increase(decrease) in accounts payable	(23,665)	(136,739)
Increase(decrease) in accrued payroll	37,807	55,410
Increase(decrease) in office lease asset and liability	(5,439)	(5,393)
Net cash provided(used) by operating activities	<u>(183,355)</u>	<u>(865,625)</u>
<u>Cash flows from investing activities</u>		
(Additions) to assets held by others	(50,016)	(1,005)
(Purchase) of certificate of deposit	(225,000)	(255,690)
(Reinvested) interest on certificate of deposit	(14,640)	(9,143)
Net cash provided(used) by investing activities	<u>(289,656)</u>	<u>(265,838)</u>
<u>Cash flows from financing activities</u>		
Collection of contributions restricted to endowments	35,016	1,005
(Principal) payments on finance leases	(9,727)	(6,754)
Net cash provided(used) by financing activities	<u>25,289</u>	<u>(5,749)</u>
Net increase(decrease) in cash and cash equivalents	(447,722)	(1,137,212)
Cash and cash equivalents, beginning of year	<u>1,408,261</u>	<u>2,545,473</u>
Cash and cash equivalents, end of year	<u>\$ 960,539</u>	<u>\$ 1,408,261</u>
<u>Supplemental disclosure of information:</u>		
Cash paid for interest	<u>\$ 1,555</u>	<u>\$ 558</u>

The accompanying notes are an integral part of these financial statements

COLORADO CHILDREN'S CAMPAIGN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

NOTE 1 - NATURE OF ACTIVITIES

Colorado Children's Campaign (the Organization) is a Colorado nonprofit corporation incorporated in 1985. The Colorado Children's Campaign is the state's leading nonprofit, nonpartisan research, advocacy, and policy organization focused on Colorado's children. The Organization advocates for the development and implementation of data-driven, equity-informed public policy that improves child and family well-being across the state. The Organization is supported primarily through foundation awards.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles which require the Organization to report its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a program. These restrictions expire when the assets are placed in service.

3. Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

5. Leases

The Organization determines if an arrangement is or contains a lease at inception and whether it will be classified as an operating or finance lease based upon the accounting criteria. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The Organization uses the rate implicit in the lease if it is determinable. When the rate implicit in the lease is not determinable, the Organization uses its incremental borrowing rate to determine the present value of the future lease payments. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization applies the short-term lease exemption of not recognizing a ROU asset and lease liability for leases that have terms of twelve months or less. Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

6. Capitalization and Depreciation

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost, or, if donated, at the approximate fair value at the date of contribution. Depreciation is computed using the straight-line method.

7. Fair Value Measurements and Disclosures

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

These levels are:

Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 - Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 - Unobservable inputs that cannot be corroborated by observable market data.

The beneficial interest in assets held by others is classified within Level 3 as the value of the interests are based on the fair value of the fund investments as reported by the Denver Foundation and Rose Community Foundation (Note 7).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Concluded)

8. Estimates

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

9. Functional Reporting of Expenses

For the year ended December 31, 2025, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain categories of expenses attributable to program services or a supporting function are allocated on a reasonable basis that is consistently applied. The significant expenses allocated are salaries, payroll taxes, and contract services which are allocated based on time and effort. All other costs are assigned directly or allocated to the program or functional area benefited.

10. Income Taxes

The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

11. Summarized Prior-Year Information

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

12. Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

13. Subsequent Events

Management has evaluated subsequent events through April 27, 2026, the date the financial statements were available to be issued.

NOTE 3 - CERTIFICATE OF DEPOSIT

During the year, the Organization renewed a certificate of deposit with a term of five months. The certificate bears interest at 3.45%, matures on June 16, 2026 and has an early withdrawal penalty of one percent of the renewed balance.

NOTE 4 - GRANTS RECEIVABLE AND CONCENTRATION

The Organization has received commitments from several foundations for future funding. A present value discount would not be material to these financial statements. Under the terms of the commitments, the remaining grant payments are anticipated to be received in 2026. A grant from one foundation represented \$250,000 of the grants receivable balance.

NOTE 5 - RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Organization has obligations as a lessee for its office space and a copier machine. The office and copier machine leases were classified as an operating lease and finance lease, respectively. The office lease was entered into in October 2022 and expires in May 2028. The lease allows the Organization to extend the lease for a period of five years with a six-month notice. The Organization is also required to make variable payments for its proportionate share of the building's property taxes, insurance, maintenance and other costs. The variable lease payments are not included in the lease payments used to determine lease liability and are recognized as variable lease costs when incurred. The Organization's prior copier lease terminated during the year and the Organization entered into a new copier lease agreement.

The components of lease cost are reflected below:

	<u>Amount</u>
Operating lease cost:	
Operating lease cost (office lease)	\$ 77,185
Variable lease cost	<u>56,317</u>
Total operating lease cost	<u>133,502</u>
Finance lease cost:	
Amortization of right of use asset	9,436
Interest on lease liability	<u>1,555</u>
Total finance lease cost	<u>10,991</u>
Total lease cost	<u>\$ 144,493</u>

The future minimum lease payments under the leases as of December 31, 2025, were as follows:

<u>Year</u>	<u>Operating lease</u>	<u>Finance lease</u>
2026	\$ 84,892	\$ 7,606
2027	87,223	7,606
2028	36,753	7,606
2029	-	7,606
2030	<u>-</u>	<u>5,705</u>
Total lease payments	208,868	36,129
Less present value adjustment	<u>(15,034)</u>	<u>(6,653)</u>
Present value of lease liabilities	<u>\$ 193,834</u>	<u>\$ 29,476</u>

NOTE 5 - RIGHT OF USE ASSETS AND LEASE LIABILITIES (Continued)

Other information related to the leases were as follows:

<u>Description</u>	<u>Operating lease</u>	<u>Finance lease</u>
Remaining lease term (years)	2.4 years	4.8 year
Discount rate	6.0%	8.8%

Supplemental cash flow information follows:

	<u>Amount</u>
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash outflows from operating lease	\$ 82,625
Operating cash outflows from finance lease	\$ 1,555
Financing cash outflows from finance lease	\$ 9,727
Right of use asset obtained in exchange for lease liability	\$ 31,926

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<u>Description</u>	<u>Amount</u>
Website	\$ 18,000
Equipment	<u>3,578</u>
Total	21,578
Less: accumulated depreciation	<u>(21,578)</u>
Net property and equipment	<u>\$ -</u>

NOTE 7 - BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS

Denver Foundation Endowments

In 2001, the Organization established an endowment fund (Endowment Fund) with the Denver Foundation (the Foundation) to provide further support to the Organization. Endowment assets include donor restricted contributions, which must be held in perpetuity. Under the terms of the endowment, the Organization may receive distributions of up to 8% of the fund. The Organization may be able to receive emergency distributions and loans from principal if approved by three-fourths of Organization's board members and three-fourths of the Foundation's Board of Trustees.

During the current year, the Organization established a separate endowment fund (Anniversary Fund) with an initial funding of \$74,986 from a distribution from the Endowment Fund. Under the terms of the endowment, the Organization may receive distributions of up to 7% of the fund. No additional distributions are allowed from this endowment fund.

NOTE 7 - BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS (continued)

The assets in each endowment are managed by the Foundation and invested in accordance with the Foundation's asset allocation. The funds are each invested in the Foundation's Long-Term Balanced pool. The Long-Term Balanced pool option presents a long-term diversified investment approach across multiple asset classes, including a substantial weighting to private capital. Since inception in 1995, the Foundation's Long-Term Balanced pool has an average annual return of 8.2%.

Rose Community Foundation Endowment

During the year, the Organization established an endowment (Rose Endowment) with the Rose Community Foundation (Rose Foundation) to provide long term funding for the Organization. The Organization provided the initial funding of \$15,000 for the establishment of the Rose Endowment. The endowment agreement, allowed for the selection of a distribution rate up to 5% of the fund balance. The Organization has decided to let the account grow to a balance of \$500,000 and therefore selected a 0% distribution rate until this goal is reached.

The Organization's Board of Directors, subject to Rose Foundation Board of Director approval, at any time may adopt a distribution rate up to the aforementioned 5% of fund balance. The endowment agreement requires Organization Executive Director and Board Chair approval of distributions resulting in the account balance falling below the historic dollar value (HDV, representing the sum of the original and subsequent contributions). Distributions are suspended should they result in the fund balance falling below 66% of the HDV. Special distributions in excess of the annual distribution percentage may be requested, provided such distribution will not result in the account balance falling below HDV. Special distributions are solely advisory in nature and not binding on the Rose Foundation.

The assets in the account are managed by Rose Foundation and invested in its Balanced Pool investment. The Balanced pool option is invested in a portfolio of common stocks, bonds, mutual funds, and cash equivalents. The Rose Foundation's Balanced Pool earned 11% during the year.

Uniform Prudent Management of Institutional Funds Act

The Organization follows the guidance of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Organization has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date absent of explicit donor stipulations to the contrary. As a result of this interpretation, net assets with donor restrictions include (a) original value of the gift donated, (b) original value of subsequent gifts donated, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument.

In accordance with UPMIFA, the Organization will consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds.

- I. The duration and preservation of the fund
- II. The purpose of the Organization and the donor-restricted fund
- III. General economic conditions
- IV. The possible effect of inflation and deflation
- V. The expected total return from income and the appreciation of investments
- VI. Other available resources
- VII. The investment policies of the Organization

NOTE 7 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (Continued)

Fund activity for the year is summarized as follows:

<u>Description</u>	<u>Endowment Fund</u>	<u>Anniversary Endowment</u>	<u>Rose Endowment</u>	<u>Total</u>
Endowment assets, beginning of year	\$ 1,199,300	\$ -	\$ -	\$ 1,199,300
Initial funding	<u>-</u>	<u>74,986</u>	<u>15,000</u>	<u>89,986</u>
Contributions	<u>-</u>	<u>25,016</u>	<u>10,000</u>	<u>35,016</u>
Investment income (loss), net	138,768	743	1,760	141,271
Administration fees	<u>(12,014)</u>	<u>(115)</u>	<u>(7)</u>	<u>(12,136)</u>
Investment return	<u>126,754</u>	<u>628</u>	<u>1,753</u>	<u>129,135</u>
Distributions	<u>(74,986)</u>	<u>-</u>	<u>-</u>	<u>(74,986)</u>
Endowment assets, end of year	<u>\$ 1,251,068</u>	<u>\$ 100,630</u>	<u>\$ 26,753</u>	<u>\$ 1,378,451</u>

The Endowment Fund distribution provided the initial funding for the Anniversary Endowment.

The endowment consists of the following:

<u>Description</u>	<u>Endowment Fund</u>	<u>Anniversary Endowment</u>	<u>Rose Endowment</u>	<u>Total</u>
Contributions to the fund	336,223	\$ 100,002	\$ 25,000	\$ 461,225
Unappropriated earnings	<u>914,845</u>	<u>628</u>	<u>1,753</u>	<u>917,226</u>
Investment return	<u>\$ 1,251,068</u>	<u>\$ 100,630</u>	<u>\$ 26,753</u>	<u>\$ 1,378,451</u>

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

At year-end, donor restricted net assets were available for the following purposes:

<u>Description</u>	<u>Amount</u>
Time restricted	\$ 762,498
Early childhood	575,000
KIDS count	100,008
K through 12 education	75,000
Oral health advocacy	<u>36,667</u>
Total time restricted and purposes restricted	1,549,173
Endowments	<u>1,378,451</u>
Total	<u>\$ 2,927,624</u>

NOTE 9 - GROWING OUR FUTURE COALITION

The Organization and Colorado Statewide Parent Coalition (CSPC) co-led the Growing Our Future Coalition (the Coalition). During the prior year, the Organization turned over fiscal sponsorship responsibilities to the CSPC for the Coalition. As part of the transition, the Organization transferred unspent grant funds to CSPC in the amount of \$182,734, and the rights to a remaining grant payment and service contract in the amounts of \$25,000 and \$9,810, respectively. Collectively, the payment and rights transferred to the CSPC in the amount of \$217,544 are reflected in grants to others in the Statement of Functional Expenses. In connection with the transition, the Organization also in 2024 returned grant funding in the amount of \$300,000 received in 2024 to the grantor for refunding purposes to CSPC. This repayment is netted with foundation revenues in the Statement of Activities. Prior to the transition, the Organization had funded CSPC \$47,500 earlier in 2024.

NOTE 10 - CARES ACT FUNDING

During a prior year, the Organization amended payroll tax returns to qualify for refundable employee retention credits under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Organization received total payments of \$373,935 during the current year representing tax refunds and interest of \$326,806 and \$47,129, respectively.

NOTE 11 - IN-KIND CONTRIBUTIONS

The Organization received contributed nonfinancial assets representing professional legal services in the amount of \$6,982 representing the fair value based on current rates for similar legal services. The legal services were utilized in general and administrative activities.

NOTE 12 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions as follows:

<u>Description</u>	<u>Amount</u>
Expiration of time restrictions	\$ 720,007
Early childhood	275,000
KIDS count	172,046
K through 12 education	108,332
Public policy advocacy	75,000
All Kids Coalition	56,250
Oral health initiative	53,749
Reproductive rights	45,833
Steering committee	18,000
Other	<u>5,500</u>
Total net assets released from restrictions	<u>\$ 1,529,717</u>

NOTE 13 - REBRANDING

The Organization has undergone a significant rebranding effort. The rebranding introduced a complete brand identity, including a new logo, updated mark, and campaign visuals. The rebranding costs primarily included brand consulting, website redesign, and related promotional materials.

NOTE 14 - THE HELEN M. MCLORAINE COLORADO CHILDREN'S CAMPAIGN ENDOWMENT FUND

A donor of the Organization established an endowment fund at the Denver Foundation for the purpose of supporting intervention programs for children that are economically disadvantaged, have special needs, or otherwise be unable to access programs promoted by the Organization. Amounts contributed to the fund are not accessible by the Organization; however, the Organization is the beneficiary of annual distributions equaling 5% of the fund. Since the Denver Foundation has variance power over the fund, the fund is not recorded as an asset of the Organization. During the year, \$91,356 was received and recognized as a contribution.

NOTE 15 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2025:

<u>Financial assets at year-end:</u>	<u>Amount</u>
Cash and cash equivalents	\$ 960,539
Certificate of deposit	504,473
Contribution and other receivables	2,000
Grants receivable	<u>720,000</u>
Total financial assets	<u>2,187,012</u>
Less amounts not available to be used within one year:	
Donor purpose and time restricted	<u>(950,456)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,236,556</u>

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term plans will be achieved. Cash in excess of immediate needs is held in a money market account and certificate of deposit and drawn on as necessary.

NOTE 16 - RETIREMENT PLAN

The Organization has a 403(b) defined contribution plan which covers substantially all of its employees. Employees are eligible for participation at twenty-one years of age. Employer matching contributions are discretionary. The Organization's contributions for the year ended December 31, 2025, were \$46,704.

NOTE 17 - CONCENTRATION OF CREDIT

The Organization held its cash and cash equivalents with two financial institutions which included a separately invested money market account. Amounts in excess of \$250,000 are not insured by the FDIC or a related entity. At year-end, the Organization's account balances held at these two financial institutions were approximately \$760,000 and \$522,000, respectively. A separately invested money market account with a value of approximately \$283,000 was almost exclusively invested in United States government securities.