Greenville Area Community Foundation

Financial Statements

December 31, 2025 and 2024

YEO & YEO

BUSINESS SUCCESS PARTNERS

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Independent Auditors' Report

Management and the Board of Trustees
Greenville Area Community Foundation
Greenville, Michigan

Opinion

We have audited the accompanying financial statements of Greenville Area Community Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025 and 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of Greenville Area Community Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greenville Area Community 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 Greenville Area Community Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Greenville Area Community 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 Greenville Area Community 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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Yeo & Yeo, P.C.

Alma, Michigan
May 4, 2026

Greenville Area Community Foundation
Statement of Financial Position
December 31, 2025 and 2024

		2025		2024
Assets				
Current assets				
Cash and cash equivalents	**$**	**103,166**	$	337,137
Beneficial interests in trust, current portion		**100,728**		100,728
Total current assets		**203,894**		437,865
Noncurrent assets				
Investments		**58,478,397**		48,912,485
Beneficial interests in trust, net of current portion		**662,205**		664,675
Life insurance - cash surrender value		**184,894**		159,831
Property and equipment, net of accumulated depreciation		**680,352**		714,509
Total noncurrent assets		**60,005,848**		50,451,500
Total assets	**$**	**60,209,742**	$	50,889,365
Liabilities and Net Assets				
Current liabilities				
Payroll tax withholdings	**$**	**-**	$	2,904
Grants payable		**2,326,627**		2,080,454
Total current liabilities		**2,326,627**		2,083,358
Grants payable, net of current portion		**193,880**		250,000
Assets held for others (agency)		**1,083,311**		983,802
Total liabilities		**3,603,818**		3,317,160
Net assets				
Without donor restrictions		**55,619,492**		46,616,971
With donor restrictions		**986,432**		955,234
Total net assets		**56,605,924**		47,572,205
Total liabilities and net assets	**$**	**60,209,742**	$	50,889,365

Greenville Area Community Foundation
Statement of Activities
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains (losses) and other support						
Contributions	**$ 2,177,853**	**$ 33,668**	**$ 2,211,521**	$ 1,337,905	$ 42,184	$ 1,380,089
Administrative fees	**9,344**	**-**	**9,344**	8,554	-	8,554
Change in value of beneficial interest	**-**	**98,258**	**98,258**	-	103,507	103,507
Other income	**13,750**	**-**	**13,750**	12,500	-	12,500
Funds transferred from (to) agency to endowment	**56,141**	**-**	**56,141**	1,462	-	1,462
Net investment return	**9,557,365**	**-**	**9,557,365**	5,324,002	-	5,324,002
Total revenues, gains (losses) and other support	**11,814,453**	**131,926**	**11,946,379**	6,684,423	145,691	6,830,114
Net assets released from restrictions						
Restrictions satisfied by payments and time	**100,728**	**(100,728)**	**-**	100,728	(100,728)	-
Expenses						
Program services						
Grants	**2,286,664**	**-**	**2,286,664**	1,479,737	-	1,479,737
Other program services	**114,155**	**-**	**114,155**	91,366	-	91,366
	2,400,819	**-**	**2,400,819**	1,571,103	-	1,571,103
Management and general	**479,492**	**-**	**479,492**	365,241	-	365,241
Fundraising	**32,349**	**-**	**32,349**	29,325	-	29,325
Total expenses	**2,912,660**	**-**	**2,912,660**	1,965,669	-	1,965,669
Change in net assets	**9,002,521**	**31,198**	**9,033,719**	4,819,482	44,963	4,864,445
Net assets - beginning of the year	**46,616,971**	**955,234**	**47,572,205**	41,797,489	910,271	42,707,760
Net assets - end of the year	**$ 55,619,492**	**$ 986,432**	**$ 56,605,924**	$ 46,616,971	$ 955,234	$ 47,572,205

Greenville Area Community Foundation
Statement of Functional Expenses
Years Ended December 31, 2025 and 2024

	2025				2024			
	Program Services	**Management and General**	**Fundraising**	**Total**	Program Services	Management and General	Fundraising	Total
Grants	**$ 2,286,664**	**$ -**	**$ -**	**$ 2,286,664**	$ 1,479,737	$ -	$ -	$ 1,479,737
Payroll								
Salaries and wages	**103,168**	**175,248**	**27,515**	**305,931**	82,576	166,200	21,935	270,711
Employee benefits	**3,095**	**5,106**	**825**	**9,026**	2,473	4,849	657	7,979
Payroll taxes	**7,892**	**13,229**	**2,105**	**23,226**	6,317	12,751	1,678	20,746
Total payroll	**114,155**	**193,583**	**30,445**	**338,183**	91,366	183,800	24,270	299,436
Office-related expenses								
Postage and shipping	**-**	**1,208**	**-**	**1,208**	-	2,335	-	2,335
Supplies and office expense	**-**	**5,712**	**-**	**5,712**	-	4,339	-	4,339
Total office-related expenses	**-**	**6,920**	**-**	**6,920**	-	6,674	-	6,674
Other expenses								
Conferences	**-**	**2,195**	**-**	**2,195**	-	2,114	-	2,114
Depreciation	**-**	**38,840**	**-**	**38,840**	-	38,562	-	38,562
Donor relations	**-**	**-**	**1,904**	**1,904**	-	-	5,055	5,055
Dues and subscriptions	**-**	**19,796**	**-**	**19,796**	-	22,868	-	22,868
Insurance	**-**	**6,242**	**-**	**6,242**	-	5,785	-	5,785
Meetings	**-**	**1,940**	**-**	**1,940**	-	2,702	-	2,702
Miscellaneous	**-**	**113,813**	**-**	**113,813**	-	19,810	-	19,810
Printing and publicity	**-**	**539**	**-**	**539**	-	1,584	-	1,584
Professional development	**-**	**84**	**-**	**84**	-	50	-	50
Professional service fees	**-**	**65,835**	**-**	**65,835**	-	60,308	-	60,308
Repairs and maintenance	**-**	**19,293**	**-**	**19,293**	-	12,130	-	12,130
Travel expenses	**-**	**2,193**	**-**	**2,193**	-	2,853	-	2,853
Utilities	**-**	**8,219**	**-**	**8,219**	-	6,001	-	6,001
Total other expenses	**-**	**278,989**	**1,904**	**280,893**	-	174,767	5,055	179,822
Total expenses	**$ 2,400,819**	**$ 479,492**	**$ 32,349**	**$ 2,912,660**	$ 1,571,103	$ 365,241	$ 29,325	$ 1,965,669

Greenville Area Community Foundation
Statement of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	**$ 9,033,719**	$ 4,864,445
Items not requiring cash		
Depreciation	**38,840**	38,562
Unrealized gain on investments	**(8,713,042)**	(2,571,897)
Unrealized gain on investments - agency	**162,658**	49,263
Realized gain on investments	**55,943**	(1,845,389)
Change in value of beneficial interest in assets held by others	**(98,258)**	(103,507)
Change in value of life insurance policy	**(25,063)**	(12,184)
Changes in operating assets and liabilities		
Beneficial interests in trust	**100,728**	100,728
Payroll tax withholdings	**(2,904)**	(291)
Grants payable	**190,053**	(412,292)
Assets held for others (agency)	**(63,149)**	22,654
Net cash provided by operating activities	**679,525**	130,092
Cash flows from investing activities		
Purchases of property and equipment	**(4,683)**	(4,395)
Purchases of long-term investments	**(7,892,119)**	(4,113,340)
Proceeds from sales of long-term investments	**6,983,306**	4,194,965
Net cash provided (used) by investing activities	**(913,496)**	77,230
Net change in cash and cash equivalents	**(233,971)**	207,322
Cash and cash equivalents - beginning of year	**337,137**	129,815
Cash and cash equivalents - end of year	**$ 103,166**	$ 337,137

Note 1 - Nature of Activities and Significant Accounting Policies

The Greenville Area Community Foundation (“the Foundation”) is a collection of local funds given by individuals, corporations, and foundations to enhance and support the quality of life for all the people in the Greenville area.

Basis of Accounting

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

Basis of Presentation

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

<u>Net assets without donor restrictions</u> – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

<u>Net assets with donor restrictions</u> – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor imposed restrictions are temporarily 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. The Foundation does not have any net assets whereby the donor imposed restriction is perpetual in nature as of December 31, 2025 and 2024.

The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified in the statement of activities as net assets released from restrictions.

Fund Accounting

The Foundation has determined that the use of fund accounting to segregate assets, liabilities, net assets, income and expenses although not required by accounting principles generally accepted in the United States of America, is a meaningful practice to continue for internal purposes only. The financial activities of the Foundation are recorded in separate internal funds, described as follows:

Operating Fund

This fund includes resources that represent the portion of expendable funds available for support of Foundation operations and funds expended for equipment.

Pass Through Funds

Pass Through Funds are used to account for assets held by the Foundation that are not endowed, but will be expended in their entirety on a specific project or for a specific cause.

Endowment Funds

This fund consists of funds that have been established by a gift instrument describing either the general or specific purpose for which grants from the individual funds are to be made. The individual funds have been classified and reported as follows:

Discretionary - funds over which the Board has discretionary control and are available for grant making and other purposes.

Agency Endowments - funds restricted by donors to support specific charitable organizations.

Field-of-Interest - funds established to benefit specific but broadly defined, charitable purpose.

Donor Advised - funds established whereby the donor suggests specific organizations to benefit from the fund. Such donor recommendations are not binding and the Foundation reserves the right to make the final decisions on distributions from such a fund.

Designated - funds established to support a specific community project.

Scholarship - funds established to provide scholarships to individuals.

Cash and Cash Equivalents
For purposes of the statements of cash flows, the Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk
As of December 31, 2025, $0 of the $127,271 cash bank balance was uninsured by the Federal Deposit Insurance Corporation (FDIC).

Beneficial Interest in Trust
Charitable Lead Annuity Trust – The Foundation is an income beneficiary of a charitable lead annuity trust. The annuity is measured and reported at the present value of estimated future cash flows expected to be realized by the Foundation using a ten year average rate of return of 11.47% and 10.06% for the years ended December 31, 2025 and 2024, respectively. Changes in value each year are reported in the statement of activities.

Promises to Give
Promises to give have been recorded as current or noncurrent assets, depending upon their maturity, and include all amounts pledged to the Foundation. Based upon the nature and reputation of donors, as well as past collection history, pledges are all considered collectible. There were no promise to give balances for the years ending December 31, 2025 and 2024.

Investments
Investments are stated at fair value. Donated investments are reflected as contributions at their fair values at date of receipt. Investment income is reported net of direct investment expenses.

Life Insurance – Cash Surrender Value
The Foundation is listed as the beneficiary of a donor's life insurance policy. The cash surrender value of the policy is recorded in the statement of financial position. The initial recording was recorded as a contribution, and subsequent increases in value are recorded as a contribution.

Property and Equipment
Acquired assets are stated at cost and donated assets at fair market value at the time of donation. The Foundation has a $2,500 capitalization policy. The straight-line method of depreciation is used. Following are the useful lives used to depreciate each category:

Land improvements	3 - 5 years
Building and improvements	10 - 40 years
Furniture and equipment	5 - 15 years

Major improvements are capitalized while ordinary maintenance and repairs are expensed.

Grants Payable
Grants are recognized as liabilities at the time the Board or committees authorize the expenditures, regardless of the year in which the grant is paid. Grants authorized are subject to the spending policy limitations. The majority of grants are expected to be out during 2026; however, one authorized grant is expected to be paid out over multiple years. $193,880 is due during 2027.

Assets Held for Others
The Foundation has entered into exchange transactions with other not-for-profit organizations and as a result, assets held for others are included in the agency endowment funds. The agency endowment fund agreements between the Foundation and the organizations allow

for distributions per the spending policy of the Foundation. The resources received under these agreements are not considered contributions to the Foundation and, therefore, have been classified as a liability.

Functional Expenses

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

Expense	Method and Allocation
Salaries and wages	Time and effort
Employee benefits	Time and effort
Payroll taxes	Time and effort

Income Tax Status

The Internal Revenue Service has ruled that the Foundation is qualified under Section 501(c)(3) of the Internal Revenue Code and is, therefore, not subject to tax under present federal income tax laws, and also is not a private foundation under the meaning of Section 509(a)(1) of the code. The Foundation files information returns in the U.S. Federal jurisdiction.

Risks and Uncertainties

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Estimates

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

Date of Management's Review

Management has evaluated subsequent events through May 4, 2026 which is the date the financial statements were available to be issued.

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:

	2025	2024
Cash and cash equivalents	**$ 103,166**	$ 337,137
Investments	**58,478,397**	48,912,485
Beneficial interests in trust	**762,933**	765,403
Total financial assets - end of year	**59,344,496**	50,015,025
Less: financial assets unavailable for general expenditures within one year, due to:		
Receivables due in more than 1 year	**(662,205)**	(664,675)
Board designated endowment, net spendable portion	**(53,048,258)**	(43,834,626)
Assets held for others (agency)	**(1,083,311)**	(983,802)
Financial assets available to meet cash needs for general expenditures within one year	**$ 4,550,722**	$ 4,531,922

The Foundation's board designated endowment is subject to an annual spending rate of 6% of the average of 12 rolling quarters up to the December 31st balance of the prior year. Although the Foundation does not intend to spend from the board designated endowment, these amounts could be made available, if necessary, to cover any unexpected expenses above the normal amount appropriated for general expenditures as part of the annual operating budget and grant making budget.

The Foundation has a policy in place on maintaining administrative fund balance, and the grant making policies and procedures allow adequate time to liquidate assets should the need arise. The Foundation's investment policy statement states 80% allocation to equity, therefore, a minimum of 80% of the investment assets have same day liquidity, if needed. If necessary, the board would have to approve any need above and beyond normal expenditures already approved in the annual budgets, for both operating and grant making.

Note 3 - Investments

Fair value of investments is summarized as follows at December 31:

	2025	2024
Mutual funds - fixed income	**$ 11,048,772**	$ 7,441,696
Mutual funds - domestic stock	**24,678,323**	21,530,412
Mutual funds - international stock	**22,553,007**	17,966,444
Money market funds	**198,295**	152,228
Real estate fund	**-**	1,821,705
	$ 58,478,397	$ 48,912,485

Note 4 - Property and Equipment

Property and equipment is comprised of the following at December 31:

	2025	2024
Land	**$ 92,500**	$ 92,500
Land improvements	**14,910**	10,227
Building and improvements	**679,360**	679,360
Furniture and equipment	**97,276**	97,276
Less: accumulated depreciation	**(203,694)**	(164,854)
	$ 680,352	$ 714,509

Note 5 - Assets Held for Other (Agency)

The Foundation has adopted guidance to record transfers of assets to a not-for-profit organization that holds contributions for others. Accounting standards have specific requirements for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both to the donor or another entity that is specified by the donor.

The standard specifically requires that if a not-for-profit organization (NPO) establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability.

In accordance with accounting standards, a liability has been established for a portion of the fair value of the funds, which is generally equivalent to the present value of future payments which may be made to NPOs.

The following table summarizes activity in such funds as of December 31:

	2025	2024
Funds held as agency - beginning of year	**$ 983,802**	$ 911,885
Contributions	**-**	14,469
Net investment return	**186,194**	106,118
Grants and administrative expenses	**(30,544)**	(47,208)
Transfer from (to) nonagency funds	**(56,141)**	(1,462)
Funds held as agency - end of year	**$ 1,083,311**	$ 983,802

Note 6 - Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following fund types at December 31:

	2025	2024
Discretionary	**$ 19,235,350**	$ 16,150,187
Field of interest	**13,404,081**	11,580,876
Donor advised	**2,325,644**	2,284,123
Designated	**8,659,930**	6,477,097
Scholarship	**11,024,109**	9,093,469
Administrative	**970,378**	1,031,219
	$ 55,619,492	$ 46,616,971

Note 7 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes and periods at December 31:

	2025	2024
Subject to expenditures for specified purpose		
Montcalm County 4-H Fair	**$ 38,605**	$ 30,000
Subject to the passage of time		
Receivable from beneficial interest in trust	**762,933**	765,403
Life insurance - cash surrender value	**184,894**	159,831
	$ 986,432	$ 955,234

Note 8 - Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	2025	2024
Passage of time		
Trust distributions	**$ 100,728**	$ 100,728

Note 9 - Designated Endowments

The Foundation's net assets without donor restrictions include amounts designated as endowments whereby the Foundation has variance power over those assets. Therefore, the Board treats these funds as designated endowments and they are classified and reported based on the existence or absence of donor imposed restrictions.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or the law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments however for the year December 31, 2024, funds with original value of $285,196, fair values of $276,344, and deficiencies of $8,852 were held by the Foundation. December 31, 2025, funds with original value of $30,913, fair values of $0, and deficiencies of $30,913 were held by the Foundation.

Changes in endowment net assets are as follows for the years ended December 31:

	Without Donor Restrictions	
	2025	2024
Beginning of year	**$ 46,616,971**	$ 41,797,489
Contributions and other income	**2,301,675**	1,459,687
Distributions	**(2,856,519)**	(1,964,207)
Net investment return	**9,557,365**	5,324,002
End of year	**$ 55,619,492**	$ 46,616,971

Interpretation of Relevant Law

The board of trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, we retain 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 by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider 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 organization 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 organization; and (7) The investment policies of the organization.

Risk Objectives and Risk Parameters

The primary objective of the investments for the Foundation will be to provide for long-term growth of principal and income without undue exposure to risk, enabling the Foundation to make grants on a continuing and reasonably consistent basis. The focus will be on long-term capital appreciation, with income generation as a secondary consideration. The Foundation seeks returns over a full market cycle (minimum five years) that equal or exceed the consumer price index plus 5%. Due to the inevitability of short-term market fluctuations, the Foundation does not expect that the investment objective will necessarily be achieved each and every year.

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 within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The annual amount available for distribution from any endowed fund is 6% of the average of 12 rolling quarters up to the December 31st balance of the prior year. This spendable amount will be available after January 1st of the current year. Each fund's annual spendable balance is net of the Foundation's administrative service fee. Any spendable balance left as of December 31st of the current year will be moved back into the accumulated earnings account of the fund unless otherwise communicated to the Foundation. New funds will not have a spendable amount until 4 full quarters with the Foundation unless otherwise determined at inception of fund.

Note 10 - Fair Value Measurements

The following tables represent information about the Foundation's assets and liabilities measured at fair value on a recurring basis at December 31, 2025 and 2024, and the valuation techniques used at the Foundation to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in the entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Disclosure concerning assets and liabilities measured at fair value on a recurring basis are as follows as of December 31:

	Fair Value Measurements using:		
	Balance	Level 1	Level 3
	2025		
Assets			
Mutual funds - fixed income	$ 11,048,772	$ 11,048,772	$ -
Mutual funds - domestic stock	24,678,323	24,678,323	-
Mutual funds - international stock	22,553,007	22,553,007	-
Money market funds	198,295	198,295	-
Real estate fund	-	-	-
Beneficial interest in trust	762,933	-	762,933
	$ 59,241,330	$ 58,478,397	$ 762,933
Liabilities			
Assets held for others	$ 1,083,311	$ -	$ 1,083,311

	Fair Value Measurements using:		
	Balance	Level 1	Level 3
	2024		
Assets			
Mutual funds - fixed income	$ 7,441,696	$ 7,441,696	$ -
Mutual funds - domestic stock	21,530,412	21,530,412	-
Mutual funds - international stock	17,966,444	17,966,444	-
Money market funds	152,228	152,228	-
Real estate fund	1,821,705	-	1,821,705
Beneficial interest in trust	765,403	-	765,403
	$ 49,677,888	$ 47,090,780	$ 2,587,108
Liabilities			
Assets held for others	$ 983,802	$ -	$ 983,802

Changes in level 3 liabilities at fair value on a reoccurring basis:

	Real Estate Fund	Beneficial Interest in Trust	Assets Held for Others
December 31, 2023	$ 1,864,206	$ 762,624	$ 911,885
Agency activity (see Note 5)	-	-	71,917
Purchases/contributions	94	-	-
Net investment return	(42,595)	103,507	-
Transfer out of Level 3	-	(100,728)	-
December 31, 2024	1,821,705	765,403	983,802
Agency activity (see Note 5)	-	-	99,509
Purchases/contributions	(1,854,636)	-	-
Net investment return	32,931	98,258	-
Transfer out of Level 3	-	(100,728)	-
December 31, 2025	$ -	$ 762,933	$ 1,083,311

Real Estate Fund

The Foundation invests in the IDR Core Property Index Fund (the Fund) which seeks to closely track the NFI-OCDE X Index. Through the use of patented methodology, the Fund was specifically built to solve the common objections of private real estate investing. The Foundation was required to make an initial capital contribution of $2,250,000. As of December 31, 2025, no additional capital contributions are required and the Foundation was in the process of closing out the investment. The Foundation's investment is tracked in a capital account which changes value based on the operating income (or loss) of the Fund along with realized and unrealized investment changes. The fair value of the Foundation's portion of the Fund reflected in these financial statements is equal to the ending capital account balance as reported by the Fund.

Beneficial Interest in Trust

The Foundation estimates the fair value of the beneficial interest in charitable lead annuity trust based upon the present value of estimated future distributions, unless the facts and circumstances indicated that the fair value would be different from this method.

Quantitative Information about Level 3 Fair Value Measurements

	Fair Value	Valuation Techniques	Unobservable Input	Range (Weighted Average)
2025				
			Interest rate	11.47%
		Income	Payout %	5.00%
Beneficial interest in trust	$ 762,933	Method	Payment years	7 years
2024				
			Interest rate	10.06%
		Income	Payout %	5.00%
Beneficial interest in trust	$ 765,403	Method	Payment years	8 years

Assets Held for Others

Assets held for others characterized as a Level 3 liability consists of agency endowment funds established by not-for-profit organizations with their own funds, for which the Foundation reports a liability for the market value. The Foundation estimates the fair value of these assets held for others at the fair value of the underlying assets unless the facts and circumstances indicated the fair value would be different.

Note 11 - Retirement Benefit Plan

The Foundation has a Simple IRA Pension Plan for employees. The plan allows a pretax employee contribution up to $6,000 per year. The Foundation contributes 3% of eligible employee wages to the plan. The contributions for the years ended December 31, 2025 and 2024 were $9,026 and $7,979, respectively.

Note 12 - Related Party Transactions

The Foundation has a volunteer board and received contributions of $200 and $2,100 from trustees for the years ended December 31, 2025 and 2024, respectively.

Note 13 - Contributed Nonfinancial Assets

The Foundation received non-specialized services from approximately 164 and 60 volunteers in the years ending December 31, 2025 and 2024, respectively. No revenue was recognized for these services as the criteria to record such revenue was not met. These services were utilized to support the Foundation’s main program of strengthening the community through awarding grants.

Note 14 - Subsequent Event

Subsequent to year end, the Foundation donated certain real property to another not-for-profit organization. The donated property consisted of land with a carrying value of $60,000 and a building with a carrying value of $43,125, resulting in a total carrying amount of $103,125 at the time of donation. The donation was completed after December 31, 2025 and, accordingly, has not been reflected in the accompanying statement of financial position as of that date. The Foundation will recognize a loss on disposal of assets, if any, in the period in which the donation occurred.

Greenville Area Community Foundation
Operating Fund
Schedule of Changes in Net Assets Without Donor Restrictions
Years Ended December 31, 2025 and 2024

	2025	2024
Revenues		
Contributions	$ 11,609	$ 12,586
Administrative fees	517,330	469,088
Other income	13,750	12,500
Net investment return	8,955	13,382
Total revenues	551,644	507,556
Expenses		
Grants	1,790	20,993
Salaries and wages	305,931	270,711
Employee benefits	9,026	7,979
Payroll taxes	23,226	20,746
Postage and shipping	1,208	2,335
Supplies and office expense	5,711	4,339
Conferences	2,195	2,114
Depreciation	38,840	38,562
Donor relations	1,904	5,055
Dues and subscriptions	19,796	22,868
Insurance	6,242	5,785
Meetings	1,940	2,702
Miscellaneous	88,465	18,653
Printing and publicity	534	1,584
Professional development	84	50
Professional service fees	88,288	60,308
Repairs and maintenance	6,893	12,296
Travel expenses	2,193	2,853
Utilities	8,219	6,001
Total expenses	612,485	505,934
Change in net assets without donor restrictions - operating fund	(60,841)	1,622
Net assets without donor restrictions - beginning of the year - operating fund	1,031,219	1,029,597
Net assets without donor restrictions - end of the year - operating fund	$ 970,378	$ 1,031,219