International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Financial Statements and
Independent Auditor's Report
December 31, 2024 and 2023

KERKERING BARBERIO
ACCOUNTING ▪ TAX ▪ CONSULTING

Contents

Independent Auditor's Report

The Board of Directors
International Waldenstrom's Macroglobulinemia
Foundation, Inc. and Affiliate
Sarasota, Florida

Opinion
We have audited the consolidated financial statements of International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate (the Foundation), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024, and 2023, and the changes in its net assets, functional expenses and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

Kerkering Barberio & Co.

Sarasota, Florida
July 18, 2025

International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Statements of Financial Position

December 31, 2024 and 2023

		2024		2023
Assets				
Current Assets:				
Cash and cash equivalents	$	2,001,309	$	1,906,719
Cash and cash equivalents - restricted		528,712		424,488
Short-term certificates of deposit		3,510,615		3,000,888
Short-term certificates of deposit - restricted		-		1,790,439
Promises to give and legacies receivable - current, net		717,120		598,993
Prepaid expenses		203,205		118,577
Total current assets		6,960,961		7,840,104
Other Assets:				
Property and equipment, net		30,829		53,939
Operating lease right-of-use assets		28,264		55,563
Long-term certificates of deposit		-		260,516
Promises to give and legacies receivable - long-term, net		445,500		117,272
Deposits		1,936		2,083
Total other assets		506,529		489,373
Total Assets	$	7,467,490	$	8,329,477
Liabilities and Net Assets				
Current Liabilities:				
Accounts payable	$	271,826	$	79,202
Accrued expenses		89,567		79,259
Short-term lease liabilities		28,264		26,366
Unearned revenue		-		21,500
Total current liabilities		389,657		206,327
Long-term lease liabilities		-		29,197
Total liabilities		389,657		235,524
Net Assets:				
Without donor restrictions:				
Undesignated		5,203,156		4,933,712
Board designated		600,000		600,000
Total net assets without donor restrictions		5,803,156		5,533,712
With donor restrictions		1,274,677		2,560,241
Total net assets		7,077,833		8,093,953
Total Liabilities and Net Assets	$	7,467,490	$	8,329,477

See accompanying notes to consolidated financial statements.

International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Statement of Activities

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support, Revenue and Releases:			
Contributions	$ 1,596,624	$ 1,409,366	$ 3,005,990
Legacies	920,139	-	920,139
Educational forum	237,956	-	237,956
Interest and dividend income	96,284	227,434	323,718
Other income	2,691	-	2,691
Net assets released from restrictions	2,922,364	(2,922,364)	-
Total support, revenue and releases	5,776,058	(1,285,564)	4,490,494
Expenses:			
Program services	4,839,540	-	4,839,540
General and administration	369,148	-	369,148
Fundraising	297,926	-	297,926
Total expenses	5,506,614	-	5,506,614
Change in net assets	269,444	(1,285,564)	(1,016,120)
Net assets, beginning of year	5,533,712	2,560,241	8,093,953
Net assets, end of year	$ 5,803,156	$ 1,274,677	$ 7,077,833

See accompanying notes to consolidated financial statements.

International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Statement of Activities

Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support, Revenue and Releases:			
Contributions	$ 1,393,806	$ 720,538	$ 2,114,344
Legacies	755,738	-	755,738
Educational forum	201,349	-	201,349
Interest and dividend income	117,737	116,711	234,448
Other income	1,510	-	1,510
Net assets released from restrictions	1,896,156	(1,896,156)	-
Total support, revenue and releases	4,366,296	(1,058,907)	3,307,389
Expenses:			
Program services	3,529,697	-	3,529,697
General and administration	263,826	-	263,826
Fundraising	280,170	-	280,170
Total expenses	4,073,693	-	4,073,693
Change in net assets	292,603	(1,058,907)	(766,304)
Net assets, beginning of year	5,241,109	3,619,148	8,860,257
Net assets, end of year	$ 5,533,712	$ 2,560,241	$ 8,093,953

See accompanying notes to consolidated financial statements.

International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

	Program Services	General & Administration	Fundraising	Totals
Bank charges	$ 19,264	$ -	$ -	$ 19,264
Board meetings and travel	59,290	13,653	12,800	85,743
Conferences	184,001	-	-	184,001
Contract labor	242,721	-	-	242,721
Bad debt expense	24,377	-	-	24,377
Depreciation	2,043	22,190	-	24,233
Education forum	338,713	-	-	338,713
Insurance	2,750	18,646	-	21,396
International outreach	165,374	-	-	165,374
Internet and web	34,042	23,218	1,026	58,286
Occupancy	16,992	8,640	3,192	28,824
Office	11,428	30,238	1,051	42,717
Other	34,126	74,085	43,106	151,317
Payroll and related costs	630,868	143,141	157,459	931,468
Postage	15,708	1,798	16,033	33,539
Printing	55,955	2,387	38,414	96,756
Professional fees	-	23,375	-	23,375
Registration fees	-	-	9,904	9,904
Research grants	2,887,764	-	-	2,887,764
Support group	74,092	-	-	74,092
Travel	40,032	7,777	14,941	62,750
Total functional expenses	$ 4,839,540	$ 369,148	$ 297,926	$ 5,506,614

See accompanying notes to consolidated financial statements.

International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Statement of Functional Expenses

Year Ended December 31, 2023

	Program Services	General & Administration	Fundraising	Totals
Bank charges	$ 10,819	$ -	$ -	$ 10,819
Board meetings and travel	45,838	10,312	9,658	65,808
Conferences	28,694	-	-	28,694
Contract labor	274,950	2,460	-	277,410
Bad debt expense	(1,737)	-	-	(1,737)
Depreciation	1,416	22,190	-	23,606
Education forum	328,235	-	-	328,235
Insurance	82	18,606	-	18,688
International outreach	306,919	-	-	306,919
Internet and web	24,723	16,937	972	42,632
Occupancy	17,712	7,920	3,203	28,835
Office	6,616	15,677	497	22,790
Other	11,906	5,706	59,377	76,989
Payroll and related costs	482,565	127,160	140,389	750,114
Postage	15,541	1,334	8,675	25,550
Printing	57,845	3,879	28,065	89,789
Professional fees	-	24,667	-	24,667
Registration fees	-	-	11,004	11,004
Research grants	1,822,967	-	-	1,822,967
Support group	62,859	-	-	62,859
Travel	31,747	6,978	18,330	57,055
Total functional expenses	$ 3,529,697	$ 263,826	$ 280,170	$ 4,073,693

See accompanying notes to consolidated financial statements.

International Waldenstrom's Macroglobulinemia Foundation, Inc. and Affiliate

Consolidated Statements of Cash Flows

Years Ended December 31, 2024 and 2023

		2024		2023
Cash Flows from Operating Activities:				
Change in net assets	$	(1,016,120)	$	(766,304)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:				
Depreciation		24,233		23,606
Bad debt expense		24,377		(1,737)
Change in operating assets:				
Promises to give and legacies receivable		(470,732)		1,019,372
Prepaid expenses		(84,628)		63,818
Deposits		147		(154)
Change in operating liabilities:				
Accounts payable		192,624		17,255
Accrued expenses		10,308		27,502
Unearned revenue		(21,500)		21,500
Net cash provided by (used in) operating activities		(1,341,291)		404,858
Cash Flows from Investing Activities:				
Net sales (purchases) of certificates of deposit		1,541,228		(363,499)
Purchases of property and equipment		(1,123)		(5,186)
Net cash provided by (used in) investing activities		1,540,105		(368,685)
Change in cash and cash equivalents		198,814		36,173
Cash and cash equivalents, beginning of year		2,331,207		2,295,034
Cash and cash equivalents, end of year	$	2,530,021	$	2,331,207

See accompanying notes to consolidated financial statements.

1. Organization

International Waldenstrom's Macroglobulinemia Foundation, Inc. is a not-for-profit corporation organized on July 21, 1998 to offer mutual support and encouragement to the Waldenstrom's Macroglobulinemia community and others with an interest in the disease, to provide information and educational programs that address patients' concerns, and to promote and support research leading to better treatments, and ultimately, a cure.

Placid Point Rd., LLC (Placid Point) was a wholly-owned subsidiary of the Foundation that was formed to hold land donated to the Foundation. Placid Point was dissolved in September of 2024.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Foundation and Placid Point (the Foundation). All significant intercompany accounts and transactions have been eliminated.

Consolidated Financial Statements

The consolidated financial statements and notes are a representation of the Foundation's management, which is also responsible for their integrity and objectivity. The accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the consolidated financial statements.

Basis of Accounting

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

Use of Estimates and Assumptions

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.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Foundation considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents, except for certificates of deposit.

Certificates of Deposit

The Foundation has purchased certificates of deposit with various banking institutions. These deposits earn interest at rates ranging from 4.35% to 5.15%, with varying maturities through April 21, 2025. Certificates of deposit with maturities beyond one year of the statement of financial position date are presented as long-term certificates of deposit on the consolidated statements of financial position.

Promises to Give and Legacies Receivable

The Foundation's promises to give and legacies receivable at December 31, 2024 and 2023 consist of unconditional promises to give and for legacies which conditions have been substantially met. The Foundation uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. As of December 31, 2024 and 2023, the Foundation has recorded an allowance for uncollectible unconditional promises to give of $42,492 and $18,115, respectively.

2. Summary of Significant Accounting Policies (Continued)

Promises to Give and Legacies Receivable (Continued)

Unconditional promises to give that are expected to be collected within one year are recorded at estimated net realizable value. Unconditional promises that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the year in which the promises are received. Amortization of the discounts is included in contribution revenue. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. Conditional promises to give are not included as support until the conditions are substantially met.

The Foundation has received communications from various individuals that the Foundation has been included as a beneficiary in their wills, revocable trusts or other investments. Since these contributions can be rescinded during the donor's lifetime and are conditional, the Foundation has not recorded contribution revenue in the accompanying consolidated financial statements. The total estimated value of these potential intended gifts as of December 31, 2024 and 2023 was $14,939,385 and $10,979,410, respectively.

Prepaid Expenses

Prepaid expenses consist of expenditures made prior to the year-end for goods or services that will be received in future years.

Property and Equipment

The Foundation capitalizes individual property and equipment items greater than $1,000 with a useful life of two or more years. Other expenditures for maintenance and repairs are charged to operations in the year the costs are incurred. Property and equipment purchased using Foundation funds are stated at acquisition cost less accumulated depreciation. Donated assets are recorded at fair market value at the date of donation less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

	Years
Office equipment	2-5
Software	5
Website	5

Leases

The Foundation determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the Foundation obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Foundation also considers whether its service arrangements include the right to control the use of an asset.

The Foundation recognizes most leases on its consolidated statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition on the consolidated statement of activities.

2. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

The Foundation made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Foundation utilizes the U.S Treasury rate based on information available at lease commencement in order to discount lease payments to present value.

Impairment of Long-Lived Assets

The Foundation reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recovered. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of the asset. The Foundation has determined that no impairment existed at December 31, 2024 and 2023.

Unearned Revenue

Unearned revenues represent monies advanced by organizations for clinical trials and for tickets for events hosted by the Foundation. These advances will be recognized as revenue in the year trials are completed or the events are held.

Net Assets

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

> *Net assets without donor restrictions* - Net assets without donor restrictions represent resources over which the Board of Directors of the Foundation have discretionary control. The resources can be used to carry out the operations of the Foundation in accordance with its by-laws.
>
> *Net assets with donor restrictions* - Net assets with donor restrictions result from contributions whose use by the Foundation is limited by donor-imposed stipulations that either expire when a stipulated time restriction ends, or purpose restriction is accomplished. See Note 6 for the composition of net assets with donor restrictions.
>
> Other net assets have restrictions that are perpetual in nature. These net assets are subject to donor-imposed stipulations that neither expire within a certain period of time nor can be fulfilled or otherwise removed by actions of the Foundation. The Foundation does not have any net assets with donor restrictions that are perpetual in nature.

At December 31, 2024 and 2023, the Board of Directors of the Foundation has designated net assets without donor restrictions of $600,000 for research purposes.

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Contributions

The Foundation reports contributions as without donor restrictions when a donor makes an unconditional promise to give and if they are received without donor stipulations that limit the use of the donated assets. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

The Foundation reports donor restricted contributions as net assets without donor restrictions whenever the restrictions are met in the same year the contributions are received.

Special Events

Revenue from fund-raising activities is recorded as contributions revenue when the activity takes place or as the Foundation satisfies their performance obligations under contracts.

Performance obligations for all of the Foundation's activities are provided and consumed at a point in time, not over time, and therefore these types of revenues allocated to performance obligations are not left unsatisfied or partially unsatisfied at the end of the reporting period.

Contributed Services

The Foundation generally pays for services requiring specific expertise. No amounts have been reflected in the consolidated financial statements for donated services since management does not believe any donated services requiring specific expertise to materially affect the consolidated financial statements. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation and Affiliate, but these services do not meet the criteria for recognition as contributed services. Management has estimated that during 2024 and 2023, the Foundation had approximately 221 and 217 volunteers, respectively, who contributed approximately 45,022 and 45,811 hours, respectively.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services. These expenses include payroll and related costs, depreciation and other occupancy related costs. Payroll and related costs are allocated based on estimated time spent in the various programs. Depreciation and occupancy related costs are either directly charged or allocated based on square footage and/or the estimated time spent in the various programs.

Advertising

The Foundation expenses advertising costs in the year they occur. Advertising expense was $0 for the years ended December 31, 2024 and 2023.

Financial Instruments Not Measured at Fair Value

Certain of the Foundation's financial instruments are not measured at fair value on a recurring basis but nevertheless are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and liabilities include cash and cash equivalents, prepaid expenses, accounts payable, accrued expenses, and unearned revenue.

2. Summary of Significant Accounting Policies (Continued)

Income Taxes

The Foundation is a not-for-profit organization and is exempt from income taxes as an organization qualified under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been provided for. The Foundation has also been classified by the Internal Revenue Service as an entity that is not a private foundation.

Placid Point was a single member limited liability company that was taxed as a disregarded entity. Therefore, for tax purposes all profits and losses flow through Placid Point to the Foundation.

Under the Income Taxes Topic of the FASB Accounting Standards Codification, the Foundation has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the consolidated financial statements.

The Foundation files income tax returns in the U.S. federal jurisdiction. The tax periods open to examination by the major taxing jurisdictions to which the Foundation is subject to include fiscal years ended December 31, 2021 through December 31, 2024.

Reclassifications

To facilitate comparison of financial data, certain amounts in the 2023 financial statements have been reclassified to conform to the 2024 reporting presentation. Such reclassifications had no effect on the change in net assets previously reported.

3. Liquidity and Availability

The following reflects the Foundation's financial assets as of the consolidated statement of financial position date, reduced by the amounts not available for general use because of contractual or donor-imposed restrictions and board designated funds within one year of the consolidated statement of financial position date. This is comprised of the following as of December 31:

	2024	2023
Cash and cash equivalents	$ 2,530,021	$ 2,331,207
Short-term certificates of deposit	3,510,615	4,791,327
Promises to give and legacies receivable	1,162,620	716,265
Total financial assets available	7,203,256	7,838,799
Less: Amounts unavailable for general expenditure due to:		
Restricted by donors with purpose and time restrictions	1,274,677	2,560,241
Board designated funds for research purposes	600,000	600,000
Total unavailable for general expenditure	1,874,677	3,160,241
Financial assets available to meet cash needs for general expenditures within one year	$ 5,328,579	$ 4,678,558

The Board designated net assets are classified as net assets without donor restrictions. The Board has established the reserve for research purposes, but these amounts could be made available if necessary.

3. Liquidity and Availability (Continued)

The Foundation generally maintains and keeps available all financial assets to meet its operating expenses as they become due.

4. Promises to Give and Legacies Receivable

Promises to give and legacies receivable are as follows as of December 31:

	2024	2023
Legacies receivable	$ 380,154	$ 370,951
Promises to give	855,138	371,816
Total promises to give and legacies receivable	1,235,292	742,767
Less: Discounts to present value	30,180	8,387
Less: Allowance for uncollectible	42,492	18,115
Net promises to give and legacies receivable	1,162,620	716,265
Less: Current portion	717,120	598,993
Promises to give and legacies receivable - long-term, net	$ 445,500	$ 117,272

The rates used to evaluate the discount to net present value on long-term promises to give range from 4.25% to 4.38%.

5. Property and Equipment

Property and equipment consist of the following as of December 31:

	2024	2023
Office equipment	$ 22,017	$ 20,894
Software	13,068	13,068
Website	137,231	137,231
	172,316	171,193
Less: Accumulated depreciation	141,487	117,254
Property and equipment, net	$ 30,829	$ 53,939

Depreciation expense was $24,233 and $23,606 for the years ended December 31, 2024 and 2023, respectively.

6. Net Assets with Donor Restrictions

The Foundation's net assets with donor restrictions are as follows at December 31:

	2024	2023
Research	$ 1,190,997	$ 2,517,455
Patient assistance	37,921	36,050
Time restrictions	45,759	6,736
Total net assets with donor restrictions	$ 1,274,677	$ 2,560,241

7. Net Asset Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by other events specified by donors. Purposes for each restriction were accomplished during the year ended December 31 include the following:

	2024	2023
Satisfaction of purpose restrictions - research	$ 2,887,764	$ 1,868,356
Satisfaction of purpose restrictions - patient assistance	20,000	-
Expiration of time restrictions - promises to give	14,600	27,800
Total net assets released from donor restriction	$ 2,922,364	$ 1,896,156

8. Leases

The Foundation is the lessee of real estate under an operating lease which has an original lease term of 3 years. Operating lease cost is recognized on a straight-line basis over the lease term. The components of lease expense are as follows as of December 31:

	2024	2023
Lease Expense:		
Operating lease expense	$ 28,824	$ 28,835
Total lease expense	$ 28,264	$ 28,835

	2024	2023
Other Information:		
Operating cash flows from operating leases	$ 28,800	$ 28,800
Weighted-average remaining lease term in years for operating leases	.92	1.92
Weighted-average discount rate for operating leases	3.48%	3.48%

Maturity Analysis **Years Ended December 31**	**Operating Lease**
2025	$ 28,800
Total undiscounted cash flows	28,800
Less: Present value discount	536
Total lease liabilities	$ 28,264

9. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk are primarily cash and cash equivalents, certificates of deposit, and promises to give and legacies receivable. The Foundation's financial instruments that are exposed to concentrations of credit risk consist primarily of cash deposits and certificates of deposit. The Foundation places its cash and cash equivalents with local financial institutions. The Foundation's certificates of deposit are with a variety of financial institutions. Although the Foundation manages its credit risk through diversification, at times, cash balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits. The Foundation has not experienced any losses in such accounts and do not believe they are exposed to any significant credit risk on cash and cash equivalents or certificates of deposit.

10. Related Party Transactions

The Foundation entered into research award agreements with a clinic where a member of the board of directors is employed. The total research grants paid and recognized in expenses for the years ended December 31, 2024 and 2023 was $210,322 and $192,720, respectively. Remaining research grants to be paid to this clinic are included in Note 12 and total $210,324 as of December 31, 2024.

11. Defined Contribution Pension Plan

The Foundation has adopted a defined contribution 403(b) plan (the Plan). All full-time employees are eligible to voluntarily make elective deferrals to the Plan upon date of hire. The employer may make discretionary nonelective contributions which are determined and allocated to plan participants annually in accordance with the provisions of the Plan. The Foundation's contribution expense was $14,859 and $13,699 for the years ended December 31, 2024 and 2023, respectively.

12. Research Grants

The Foundation's Board of Directors approve multi-year agreements for research which require progress reports every six months and/or other conditions in the grant agreements. Progress reports are reviewed and approved by the Foundation's research committee and agreements may be terminated at the discretion of the Board of Directors for nonperformance (actual termination would be an extremely rare occurrence). Research grant expense is recognized in the period when the conditions of the grant agreement are substantially met. Research grant expense was $2,887,764 and $1,822,967 for the years ended December 31, 2024 and 2023, respectively. If conditions are satisfied for the current multi-year agreements in effect for research, the future amounts estimated to be paid under the agreements are as follows:

2025	$ 2,985,831
2026	1,497,771
2027	960,071
2028	464,286
Total	$ 5,907,959

Since the amounts are conditional due to the progress reports being submitted, they are not included as liabilities on the consolidated statements of financial position.

13. Subsequent Events

The Foundation has evaluated all events subsequent to the consolidated statement of financial position date of December 31, 2024 through the date these consolidated financial statements were available to be issued, July 18, 2025, and have determined that there are no subsequent events that require disclosure.