BAKER NEWMAN NOYES

New Hampshire Charitable Foundation and Affiliated Organizations

Consolidated Financial Statements

For the Years Ended December 31, 2025 and 2024
With Independent Auditors' Report

Baker Newman & Noyes LLC
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INDEPENDENT AUDITORS' REPORT

Board of Directors
New Hampshire Charitable Foundation

Opinion

We have audited the consolidated financial statements of New Hampshire Charitable Foundation and Affiliated Organizations (the Foundation), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, 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 (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2025 and 2024, and the results of their operations, their functional expenses and their 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Board of Directors
New Hampshire Charitable Foundation

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

In performing an audit in accordance with GAAS, we:

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

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

Baker Newman & Noyes LLC

Manchester, New Hampshire
July 29, 2026

NEW HAMPSHIRE CHARITABLE FOUNDATION AND AFFILIATED ORGANIZATIONS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2025 and 2024

ASSETS

	2025	2024
Assets:		
Cash and cash equivalents	$ 36,531,011	$ 34,887,472
Restricted cash	1,487,804	1,614,453
Accrued investment income	1,010,350	843,756
Grants receivable	175,000	383,000
Contributions receivable	9,492,036	6,398,963
Notes receivable, less allowance for credit losses of $143,501 in 2025 and $117,289 in 2024	3,267,949	1,989,334
Other assets	3,819,761	4,244,224
Investments, at fair value	1,192,172,501	1,055,185,570
Investments held in trust	1,937,837	1,871,986
Receivable from trusts	74,884,887	76,440,627
Property, plant and equipment:		
Land and improvements	415,840	415,840
Building and improvements	2,594,441	2,463,844
Equipment and furniture	1,764,082	1,749,732
	4,774,363	4,629,416
Less accumulated depreciation	(3,499,960)	(3,425,267)
Net property, plant and equipment	1,274,403	1,204,149
Total assets	$ 1,326,053,539	$ 1,185,063,534

LIABILITIES AND NET ASSETS

	2025	2024
Liabilities:		
Accounts payable and accrued expenses	$ 2,177,668	$ 1,873,541
Grants payable	10,592,674	9,999,352
Income beneficiaries payable	1,322,542	1,391,092
Unearned contributions	1,835,509	1,862,644
Funds held as agency funds	60,681,023	54,697,951
Other liabilities	3,155,467	3,303,740
Total liabilities	79,764,883	73,128,320
Net assets:		
Without donor restrictions:		
Designated to fund grants, scholarships and initiatives	941,601,738	836,308,457
Designated to fund operations	4,369,530	4,596,848
Designated by the Board for operating and capital reserves	10,186,891	7,698,944
Invested in property, plant and equipment	1,274,403	1,204,149
	957,432,562	849,808,398
With donor restrictions:		
Restricted to the passage of time	77,679,456	77,408,036
Restricted endowment appreciation	79,266,420	57,849,145
Restricted in perpetuity – endowment	131,910,218	126,999,817
Underwater endowments	–	(130,182)
	288,856,094	262,126,816
Total net assets	1,246,288,656	1,111,935,214
Total liabilities and net assets	$ 1,326,053,539	$ 1,185,063,534

See accompanying notes.

NEW HAMPSHIRE CHARITABLE FOUNDATION AND AFFILIATED ORGANIZATIONS

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years Ended December 31, 2025 and 2024

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and investment gains (losses):			
Contributions	$ 60,983,507	$ 13,056,343	$ 74,039,850
Net investment return	130,334,821	29,113,316	159,448,137
Change in value of split interest agreements	(147,772)	(47,754)	(195,526)
Other	31,648	–	31,648
Total revenues and investment gains (losses)	191,202,204	42,121,905	233,324,109
Net assets released from restrictions:			
Satisfaction of donor restrictions	689,740	(689,740)	–
Time restriction expired	6,408,566	(6,408,566)	–
Pursuant to spending rate appropriation	8,191,695	(8,191,695)	–
Total net assets released from restrictions	15,290,001	(15,290,001)	–
Total revenues, gains and other support	206,492,205	26,831,904	233,324,109
Expenses:			
Grants, scholarships and program initiatives	87,183,957	–	87,183,957
Administrative expenses:			
Program service expenses	5,742,690	–	5,742,690
Management and general expenses	3,826,502	–	3,826,502
Fundraising expenses	1,947,060	–	1,947,060
Total administrative expenses	11,516,252	–	11,516,252
Total expenses	98,700,209	–	98,700,209
Increase in net assets before effects of discontinued operations	107,791,996	26,831,904	134,623,900
Loss from discontinued operations	(167,832)	(102,626)	(270,458)
Total increase in net assets	107,624,164	26,729,278	134,353,442
Net assets at beginning of year	849,808,398	262,126,816	1,111,935,214
Net assets at end of year	$ 957,432,562	$ 288,856,094	$ 1,246,288,656

See accompanying notes.

2024		
Without Donor Restrictions	With Donor Restrictions	Total
$ 66,872,378	$ 88,588,745	$ 155,461,123
67,478,382	15,039,800	82,518,182
(129,449)	577,900	448,451
19,772	–	19,772
134,241,083	104,206,445	238,447,528
688,517	(688,517)	–
3,313,842	(3,313,842)	–
7,082,152	(7,082,152)	–
11,084,511	(11,084,511)	–
145,325,594	93,121,934	238,447,528
72,468,330	–	72,468,330
5,172,013	–	5,172,013
3,742,520	–	3,742,520
1,806,331	–	1,806,331
10,720,864	–	10,720,864
83,189,194	–	83,189,194
62,136,400	93,121,934	155,258,334
–	(188,653)	(188,653)
62,136,400	92,933,281	155,069,681
787,671,998	169,193,535	956,865,533
$ 849,808,398	$ 262,126,816	$1,111,935,214

NEW HAMPSHIRE CHARITABLE FOUNDATION AND AFFILIATED ORGANIZATIONS

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2025 and 2024

	Program Services	Management and General	Fundraising and Development	Total
2025				
Grants, scholarships and program initiatives	$87,183,957	$ –	$ –	$87,183,957
Salaries and wages	3,173,222	2,196,259	1,126,904	6,496,385
Employee benefits	672,511	464,691	238,815	1,376,017
Payroll taxes	221,726	155,475	78,779	455,980
Information technology	469,558	337,523	166,987	974,068
Communications and marketing	194,744	139,986	69,256	403,986
Fees for services	273,493	196,590	97,261	567,344
Depreciation	62,123	44,665	22,093	128,881
Office expenses	77,803	55,926	27,669	161,398
Occupancy	111,243	79,963	39,561	230,767
Travel and conferences	65,969	41,462	23,349	130,780
Meetings	26,404	18,980	9,390	54,774
Professional fees	34,927	25,106	12,421	72,454
Legal fees	60,735	43,657	21,599	125,991
Insurance	30,110	21,644	10,708	62,462
Change in provision for credit losses	261,744	–	–	261,744
Other expenses	6,378	4,575	2,268	13,221
Total expenses	$92,926,647	$3,826,502	$1,947,060	$98,700,209
2024				
Grants, scholarships and program initiatives	$72,468,330	$ –	$ –	$72,468,330
Salaries and wages	2,954,137	2,125,496	1,033,349	6,112,982
Employee benefits	631,784	452,138	220,950	1,304,872
Payroll taxes	206,481	149,898	72,252	428,631
Information technology	487,032	362,956	170,605	1,020,593
Communications and marketing	140,875	104,987	49,348	295,210
Fees for services	297,095	221,408	104,071	622,574
Depreciation	75,150	56,005	26,324	157,479
Office expenses	72,998	54,402	25,571	152,971
Occupancy	105,677	78,755	37,018	221,450
Travel and conferences	59,838	38,617	20,846	119,301
Meetings	41,601	31,003	14,573	87,177
Professional fees	31,884	23,762	11,169	66,815
Legal fees	22,782	16,978	7,980	47,740
Insurance	28,179	21,000	9,871	59,050
Change in provision for credit losses	9,637	–	–	9,637
Other expenses	6,863	5,115	2,404	14,382
Total expenses	$77,640,343	$3,742,520	$1,806,331	$83,189,194

See accompanying notes.

NEW HAMPSHIRE CHARITABLE FOUNDATION AND AFFILIATED ORGANIZATIONS

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Increase in net assets	$ 134,353,442	$155,069,681
Adjustments to reconcile increase in net assets to net cash (used) provided by operating activities:		
Net loss from discontinued operations	270,458	188,653
Depreciation	128,881	157,479
Net unrealized and realized investment gains	(147,891,931)	(69,417,055)
Contributions of securities	(24,507,175)	–
Contributions with donor restrictions	(13,056,343)	(88,588,745)
Changes in:		
Investments held in trust	(65,851)	401,721
Accrued investment income	(166,594)	(355,778)
Receivable from trust	1,555,740	(443,555)
Contributions receivable	5,395,084	3,125,065
Grants receivable	208,000	280,000
Other assets	418,905	5,119,541
Grants payable	593,322	1,542,454
Income beneficiaries payable	(68,550)	(145,341)
Unearned contributions	(27,135)	(1,054,645)
Accounts payable, accrued expenses and other liabilities	279,500	(4,858,419)
Funds held as agency funds	5,983,072	3,261,187
Net cash (used) provided by operating activities	(36,597,175)	4,282,243
Cash flows from investing activities:		
Proceeds from sale of investments	76,389,366	49,924,482
Purchase of investments	(41,365,737)	(73,567,854)
Principal collected from notes receivable	346,385	67,376
Principal disbursed for notes receivable	(1,625,000)	(10,000)
Purchase of property, plant and equipment, net	(199,135)	(15,592)
Net cash provided (used) by investing activities	33,545,879	(23,601,588)
Cash flows from financing activities:		
Proceeds from contributions with donor restrictions	4,568,186	17,460,234
Net cash provided by financing activities	4,568,186	17,460,234
Net increase (decrease) in cash and cash equivalents and restricted cash	1,516,890	(1,859,111)
Cash and cash equivalents and restricted cash at beginning of year	36,501,925	38,361,036
Cash and cash equivalents and restricted cash at end of year	$ 38,018,815	$ 36,501,925

See accompanying notes.

1. Organization

The New Hampshire Charitable Foundation (the Foundation) is a nonprofit community foundation that provides grant and loan assistance to nonprofit organizations primarily in New Hampshire and to students who are residents of the State of New Hampshire. The Foundation is comprised of 2,328 individual funds, primarily including unrestricted (Flexible Funds), field of interest, designated, agency, scholarship, donor advised, annuities, trusts and pooled income funds. Resources for various purposes are classified into funds established according to their nature and purpose.

In 2013, the Foundation created a wholly-owned LLC (the LLC) for the purposes of managing potential risks and exposures related to a gift of 100% of the outstanding shares of a multi-national and diverse corporation (the Corporation). See note 8 for more information.

On February 24, 2021, the State of New Hampshire Probate Court approved a *Cy Pres* petition submitted by the Frisbie Memorial Hospital Wind Down Company (the Petitioner) to establish a Type 1 Supporting Organization (the Supporting Organization) at the Foundation. On September 1, 2021, the Foundation's Board of Directors accepted a gift of 100% of the outstanding shares of The Greater Rochester Community Health Foundation (GRCHF), establishing the Supporting Organization. See note 9 for more information.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements of the Foundation include the accounts of the Foundation, its wholly-owned LLC, which consolidates its 100% owned corporate subsidiary, and the Supporting Organization. Operating results for the Corporation (which are accounted for as discontinued operations) have been consolidated from the date of acceptance of the corporate stock. Operating results for the Supporting Organization have been consolidated from the date of acceptance of the outstanding shares. Significant intercompany accounts and transactions have been eliminated in consolidation.

Concentration of Credit Risk

Financial instruments which subject the Foundation to credit risk consist of cash equivalents, notes and contributions receivable, and investments. The risk with respect to cash equivalents is minimized by the Foundation's policy of investing in financial instruments with short-term maturities issued by highly rated financial institutions. The Foundation's cash and cash equivalents are currently held at seven institutions, which at times may exceed federal depository insurance limits. During 2025 and 2024, the Foundation participated in a collateralized sweep program with Citizens Bank, which invests certain amounts in a variety of financial institutions up to the Federal Deposit Insurance Corporation (FDIC) insured limit. This program covers the Foundation's checking and short-term investment accounts. The Foundation has not experienced any losses in such accounts and management believes the Foundation is not exposed to any significant risks at December 31, 2025. The Foundation's notes and contributions receivable are presented net of estimated uncollectible amounts.

2. Summary of Significant Accounting Policies (Continued)

The Foundation's investment portfolio consists of diversified investments, which are subject to market risk, but are not subject to concentrations in any sector. At December 31, 2025, investment concentrations of 5% or greater of the investment portfolio (excluding investments held in trust) were as follows:

Adage Capital Partners, L.P.	$ 104,199,268	8.7%
Ethic Inc.	94,275,128	7.9
Metis Global Equity Index Portfolio	92,378,332	7.7
Breckinridge Capital Advisors, Inc.	89,904,531	7.5
Global Research Equity Extended Fund (Cayman) Ltd.	86,869,629	7.3

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents includes investments in liquid debt instruments. The carrying value of cash and cash equivalents approximates market value. The Foundation classifies financial instruments with an original maturity of less than three months as cash equivalents.

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	2025	2024
Cash and cash equivalents	$36,531,011	$34,887,472
Restricted cash	1,487,804	1,614,453
	$38,018,815	$36,501,925

The Foundation has been awarded grants from unaffiliated charitable organizations that were paid to the Foundation through 2025 and are to be expended through 2027. Each grant is to be used for specific programs as outlined in the grant awards. Included in restricted cash in the accompanying consolidated statements of financial position is $728,650 and $513,584 at December 31, 2025 and 2024, respectively, in regard to these awards. Future cash receipts of these grant awards are anticipated to be $175,000 in 2026.

Investments

Investment securities are stated at fair value. The fair value of debt securities and marketable equity securities are based on quoted market prices. The Foundation carries alternative investments at net asset value (NAV), which estimates fair value as determined by management based upon valuations provided by the respective fund managers or general partners. Alternative investments include private equity, venture capital, hedge funds, natural resources, private credit, and real estate. The Foundation invests in various investment classes, including international capital markets and alternative investments. The Foundation's investments are subject to various risks, such as interest rate, credit, liquidity, and overall market volatility, which may substantially impact the value of such investments at any given time.

2. Summary of Significant Accounting Policies (Continued)

The Foundation's management is responsible for the fair value measurement of investments reported in the financial statements. The Foundation has implemented policies and procedures to assess the reasonableness of the fair values provided. Because of the inherent uncertainty of valuation for these investments, the estimate of the fund manager or general partner may differ from actual values, and the differences could be significant. The Foundation believes that reported fair values of its alternative investments at the balance sheet dates are reasonable.

Investment income is allocated to the various funds based upon fair value.

The Foundation has commitments to seventy-five limited partnerships that draw down capital as the partnerships make investments. As the commitments are called, the Foundation reallocates resources from current investments to fulfill the commitment, thus the capital calls are asset allocation shifts within the investment portfolio. As of December 31, 2025, the Foundation had approximately $98.0 million of uncalled capital commitments through 2038, of which it is estimated approximately $29.8 million will be called in 2026.

Subsequent to December 31, 2025, the Foundation decided in the first quarter of 2026 to commit $5 million to a private equity manager.

Receivable from Trusts

The Foundation is the sole or partial beneficiary of charitable remainder trusts and charitable lead trusts. The Foundation does not act as trustee and has recorded an asset at the present value of the estimated revenue to be received from the trusts using a discount rate ranging from 1.0% to 7.4%.

Notes Receivable

The Foundation provides low-interest rate loans to students and to certain nonprofit organizations, currently ranging from 0% to 4%. Interest on student loans is recognized for financial statement purposes when amounts are received which does not significantly differ from the accrual basis. In accordance with Accounting Standards Codification (ASC) Topic 326, *Financial Instruments – Credit Losses*, the Foundation makes ongoing estimates relating to the collectibility of notes receivable and records an allowance for estimated losses expected from the inability of the borrowers to make required payments. The Foundation establishes expected credit losses by evaluating historical levels of credit losses, and current economic conditions that may affect a borrowers' ability to pay. The student loan default rate was 0% for both 2025 and 2024.

Property, Plant and Equipment

Property, plant and equipment is stated at cost or, if donated, at fair market value determined at the date of donation, less accumulated depreciation. The Foundation's policy is to capitalize expenditures for major improvements and charge maintenance and repairs currently for expenditures that do not extend the lives of the related assets. Depreciation is provided by the straight-line method in a manner which is intended to amortize the cost of the assets over their estimated useful lives.

2. Summary of Significant Accounting Policies (Continued)

Contributions, Unearned Contributions, and Income Beneficiaries Payable

Contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restriction. Contributions received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions of assets other than cash are recorded at their estimated fair value. Real estate contributed is recorded at appraised value on the date of the gift and is generally made available for sale as soon as practicable. Contributions of public stock are recorded at the average market price on the date of donation.

Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the contribution becomes unconditional or irrevocable.

The Foundation has recorded a liability for grants awarded but not paid and for the amount due to income beneficiaries of pooled income funds (unearned contributions) and charitable gift annuities (income beneficiaries payable). For charitable gift annuities, the present value of the estimated future payments to be distributed during the beneficiary's expected life is recorded as a liability using a discount rate ranging from 1.0% to 7.4%.

Unconditional contributions expected to be collected within one year are reported at their net realizable value. The fair value of contributions receivable and grants payable is initially determined as the present value of expected future cash flows using a discount rate. Income beneficiaries payable are initially reported at fair value based on the life expectancy of the beneficiaries and the present value of expected cash flows using a discount rate established at the time of the gift.

Grants, Scholarships, and Program Initiative Expenses

Grant, scholarships, and program initiative expenses are recorded when all due diligence has been completed, they are approved by the Foundation's staff or Board of Directors (the Board) and when the award is deemed unconditional. Grant refunds are recorded as a reduction of grant expense at the time the Foundation receives or is notified of the refund.

During the year, grants have been approved and disbursed to organizations in which some of the board members may be involved through board or other advisory relationships. It is the Foundation's policy to have each board member disclose the conflict of interest. These board members are prohibited from voting on grants to these organizations in those instances.

2. Summary of Significant Accounting Policies (Continued)

Agency Funds

Agency funds are funds that are established and funded by a not-for-profit organization for its own benefit. In exchange, the Foundation agrees to provide periodic distributions to the not-for-profit organization. Accounting rules require the Foundation to account for transfers of assets, which are recorded as investments in the accompanying consolidated balance sheets, from not-for-profit organizations into agency funds as an asset with a corresponding liability, which totals $60,681,023 and $54,697,951 at December 31, 2025 and 2024, respectively.

Classification of Net Assets

The following provides a description of the net asset classifications represented in the Foundation's consolidated statement of financial position:

Net Assets With Donor Restrictions include contributions and endowment investment earnings subject to donor-imposed restrictions, as well as irrevocable trusts and contributions receivable. Some donor-imposed restrictions are temporary in nature that are expected to be met either by actions of the Foundation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. As of December 31, 2025 and 2024, the Foundation's net assets with donor restrictions are restricted for funding various community needs as specified by the donors, as well as the endowment corpus and unspent endowment investment earnings.

Net Assets Without Donor Restrictions include net assets available but designated to fund grants, scholarships and initiatives not subject to donor restrictions, which includes amounts appropriated for expenditure from net assets with donor restrictions. Net assets designated to fund operations are cash reserves designated for future operating needs (see note 3). The Board of Directors has designated, from net assets without donor restrictions, net assets for operations and capital reserves. Net assets without donor restrictions also include the investment in property, plant and equipment, net of accumulated depreciation.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

The Foundation reports gifts of property, plant, and equipment as revenues without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenue with donor restrictions. The Foundation reports expirations of donor's restrictions when the donated or acquired long-lived assets are placed in service.

2. Summary of Significant Accounting Policies (Continued)

The Foundation maintains the following types of funds within its assets:

Agency funds are established by 501(c)(3) organizations that transfer ownership of funds to the Foundation. Nonprofit organizations establish agency funds to ensure they will be able to fulfill their missions now and in the future.

Designated funds are established by a donor(s) to support specific nonprofit organizations. The Foundation has the ongoing fiduciary responsibility to make grants to the nonprofit organizations donor(s) have selected. If the selected nonprofit organization ceases to exist, the Foundation's Board of Directors will identify another nonprofit that most closely resembles the original charitable intent.

Donor Advised funds are established to fulfill the donor's charitable goals, which may vary over time. The donor may recommend grants from the fund to any 501(c)(3) organization(s) or may partner with Foundation staff to identify opportunities for grant making.

Field of Interest funds are established to provide grants in a particular field of charitable interest but not to specific charitable organizations. Examples of field of interest include arts, education, environment, and health.

Scholarship funds are established to help students meet their educational or career goals. They provide access to educational opportunities for a wide variety of students. A scholarship fund may benefit a particular community, a particular educational institution, or a particular field of study.

Unrestricted funds (Flexible funds) are established to provide broad charitable support for community well-being in a wide variety of areas of interest. They provide the most flexibility in meeting the changing needs of communities by allowing the Foundation to direct grants where they will have the greatest impact.

Under the terms of the Foundation's bylaws, the Board has the ability to distribute as much of the corpus of any trust or separate gift, bequest, or fund as the Board in its sole discretion shall determine. As a result, all contributions not classified as with donor restrictions are classified as net assets without donor restrictions designated to fund grants, scholarships and initiatives for financial statement purposes. In general, the bylaws of the Foundation provide for variance power which allows the redirection of spending and the reduction of principal, if necessary.

The State of New Hampshire adopted *Uniform Prudent Management of Institutional Funds Act of 2006* (UPMIFA) effective July 1, 2008. The Foundation has determined that many of the Foundation's net assets do not meet the definition of endowment under UPMIFA. The Foundation is governed subject to its bylaws and most contributions are subject to the terms of the bylaws. Certain contributions are received subject to other gift instruments.

2. Summary of Significant Accounting Policies (Continued)

Net assets are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation classifies contributions received with donor stipulations that restrict the timing or purpose of expending the donated assets as revenues with donor restrictions and are reported as net assets with donor restrictions depending upon specific language in the gift instrument. The Board has interpreted UPMIFA as requiring the preservation of the value of the original gift only where there is explicit donor stipulation. As a result of this interpretation, the Foundation classifies the original value of gifts donated to the endowment as well as subsequent gifts to the endowment as net assets with donor restrictions. The remaining portion of the donor-restricted endowment fund that is not classified as endowment is subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Spending Policy for Appropriation of Assets for Expenditure

The spending policy calculates the amount of money distributed annually from the Foundation's various funds for grant making and administration. For the years 2026, 2025, and 2024, the Board adopted a spending rate of 6.05% of the investment fund's average market value over the prior 20 quarters (5.0% for charitable disbursement and 1.05% for Foundation fees ranging from 0.2% – 2.0%) for all fund types except agency, endowed, designated and scholarship, for which the Board adopted a spending rate of 5.05% (4.0% for charitable disbursement and 1.05% for Foundation fees ranging from 0.2% – 2.0%). For the years 2026 and 2025, the GRCHF Board adopted a charitable disbursement rate of 3.0% of the average investment market value over the prior 12 months, which includes the Foundation's administrative fee. The GRCHF Board adopted a charitable disbursement rate for 2024 of 2.50% of the average investment market value over the prior 12 months, which includes the Foundation's administrative fee.

The Foundation fee varies based on the fund type, and in some cases, the fund size. Effective in 2011, the Board adopted a sliding scale spending policy to address underwater funds, defined as those endowment funds with balances below historic gift value. The rate varies based on the percentage that the endowment fund is below historic gift value.

2. Summary of Significant Accounting Policies (Continued)

For the years ended 2026, 2025 and 2024, the table below illustrates the spending policy for charitable disbursements for endowment funds with balances that are under historic gift value.

		Charitable Disbursement Rate					
		2026/2025			2024		
Amount Underwater	Reduction in Spending	All Other Funds	Agency Designated Scholarship and Endowment Funds	The Greater Rochester Community Health Foundation	All Other Funds	Agency Designated Scholarship and Endowment Funds	The Greater Rochester Community Health Foundation
10% or less	No reduction	5.00%	4.00%	3.00%	5.00%	4.00%	2.50%
Over 10% up to and including 15%	33.3% reduction	3.33	2.67	2.00	3.33	2.67	1.67
Over 15% up to and including 20%	66.7% reduction	1.67	1.33	1.00	1.67	1.33	0.83
Over 20%	100% reduction	0.00	0.00	0.00	0.00	0.00	0.00

In establishing this policy, the Foundation considered the long-term expected return on its investments. Over the long term, the Foundation's objective is to maintain the purchasing power of its investments as well as to provide growth through new gifts and investment return.

Investment Policies

The Foundation has adopted investment and spending policies for its investments that attempt to provide a stream of funding to support programs defined by its component funds while seeking to maintain the purchasing power of the assets. The Foundation's spending and investment policies work together to achieve this objective. Under the investment policy, as approved by the Board, the assets are invested in a manner that is intended to produce results that meet the spending policy plus the rate of inflation while assuming a moderate level of investment risk. The Foundation expects its investments, over time, to provide an average rate of return of approximately 8.0% annually. Actual returns in any given year may vary from this amount. To satisfy its long-term 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 an emphasis on achieving its long-term return objectives within prudent risk constraints.

Net Investment Return

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

Income Taxes

The Foundation, its wholly-owned LLC and the Supporting Organization are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies (Continued)

The consolidated Corporation accounts for income taxes under the asset and liability method in accordance with provisions of Accounting Standards Codification Topic 740, *Income Taxes* (ASC 740). Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The consolidated Corporation maintains a valuation allowance for deferred tax assets for which recovery is uncertain.

The Corporation also accounts for uncertain income tax positions under ASC 740. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on de-recognition, classification, interest and penalties, disclosure and transition. Generally, the Corporation's preceding three years are open for examination by federal and state taxing agencies. In addition to being subject to U.S. and various state taxes, the Corporation is also subject to tax in foreign jurisdictions. The affiliated corporation accounts for uncertain tax positions using a "more-likely-than-not" threshold for recognizing and resolving uncertain tax positions. The evaluation of uncertain tax positions is based on factors that include, but are not limited to, changes in tax law, the measurement of tax positions taken or expected to be taken in tax returns, the effective settlement of matters subject to audit, new audit activity and changes in facts or circumstances related to a tax position. Any related interest and penalties would be recorded within income tax expense.

Management has evaluated the Foundation's tax positions and concluded that the Foundation has maintained its tax-exempt status, does not have any significant unrelated business income and has taken no uncertain tax positions that require adjustment to the consolidated financial statements.

Retirement Plans and Deferred Compensation Agreements

The Foundation has a defined contribution 403(b) thrift plan covering substantially all of its employees. Under this plan, the Foundation annually contributes 10% of each eligible employee's annual salary. The total cost of the plan charged to operations amounted to $612,584 in 2025 and $565,937 in 2024. Contributions are used to purchase group annuity contracts with a life insurance company in order to fund future benefit payments. Such employer contributions are 100% vested.

The plan also includes supplemental employee "Taxable and Tax-Deferred Annuity Plan" provisions designed to afford eligible employees the opportunity to make contributions to the plan not to exceed amounts legislated under *Employee Retirement Income Security Act of 1974*. Such employee contributions are 100% vested.

2. Summary of Significant Accounting Policies (Continued)

The Foundation adopted a 457(b) deferred compensation plan during 2010 for certain key employees. The purpose of the plan is to provide supplemental retirement income and the retention of key employees by offering benefits comparable with similar organizations. The plan calls for set annual contributions and the cost is expensed when each contribution is made. The total cost of the plan charged to operations amounted to $50,500 and $51,000 in 2025 and 2024, respectively. At December 31, 2025 and 2024, $936,675 and $788,902, respectively, was accrued for this obligation.

Total compensation including the deferred compensation plan is evaluated and approved annually by the Board. This process is documented in the Board minutes.

Functional Allocation of Expenses

The costs of providing the various program and supporting services have been summarized on a functional basis in the consolidated statements of activities and the consolidated statements of functional expenses. The consolidated financial statements report certain expenses that are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are allocated on the basis of estimates of time and effort. See note 7.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires the Foundation's management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

Events occurring after the statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated subsequent events through July 29, 2026, which is the date the consolidated financial statements were available to be issued.

3. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date (December 31, 2025), comprise the following:

Cash and cash equivalents and investments, at fair value	$12,886,164
Contributions receivable	20,381
	$12,906,545

The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes and is not available for general expenditures.

3. Liquidity and Availability (Continued)

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds. Occasionally, the Board will designate a portion of any operating surplus to its operating reserve. Included in net assets without donor restrictions designated by the Board for operating reserves is $8,537,015 as of December 31, 2025, which is included in the cash and cash equivalents and investments noted above.

Additionally, under the spending policy described in note 2 that was approved by the Board, the Foundation will receive approximately $10.2 million in Foundation fees for operations in 2026.

4. Investments

The major categories of investments, at fair value, at December 31 are as follows:

	2025		2024	
	Amount	Percent	Amount	Percent
Equity:				
Domestic	$ 252,926,104	21.2%	$ 282,177,064	26.7%
Global (excluding U.S.)	351,703,511	29.5	232,504,747	22.0
Total equity	604,629,615	50.7	514,681,811	48.7
Fixed income	195,896,779	16.4	161,140,533	15.3
Marketable alternatives	122,991,806	10.4	113,925,818	10.8
Inflation hedging	17,918,969	1.5	20,849,485	2.0
Non-marketable alternatives	209,864,364	17.6	172,207,035	16.3
Cash equivalents	40,870,968	3.4	72,380,888	6.9
	$ 1,192,172,501	100.0%	$ 1,055,185,570	100.0%

The major categories of investments held in trust at December 31, are as follows:

	2025		2024	
	Amount	Percent	Amount	Percent
Equity – domestic	$ 4,309	0.2%	$ 4,365	0.2%
Balanced funds	1,894,754	97.8	1,830,163	97.8
Cash equivalents	38,774	2.0	37,458	2.0
	$1,937,837	100.0%	$1,871,986	100.0%

4. Investments (Continued)

The tables below set forth additional disclosures for investment funds to further understand the nature and risk of the investments by category at December 31, 2025 and 2024:

	Fair value as of December 31, 2025	Unfunded Commit-ments	Redemption Frequency	Redemption Notice Period
Equity investments	$ 200,981,591	$ –	Daily	0 – 6 days
Equity investments	97,601,001	–	Weekly	0 – 6 days
Equity investments	44,382,595	–	Semi-monthly	0 – 7 days
Equity investments	90,143,633	–	Monthly	5 – 60 days
Equity investments	171,520,795	–	Quarterly	30 – 60 days
Total equity investments	604,629,615	–		
Fixed income investments	183,895,572	–	Daily	1 day
Fixed income investments	12,001,207	7,420,148	Illiquid	N/A
Total fixed income investments	195,896,779	7,420,148		
Marketable alternative investments	120,916,664	–	Quarterly	60 – 75 days
Marketable alternative investments	2,075,142	–	Biennially	45 days
Total marketable alternative investments	122,991,806	–		
Inflation hedging investments	4,905,081	–	Daily	1 day
Inflation hedging investments	13,013,888	953,573	Illiquid	N/A
Total inflation hedging investments	17,918,969	953,573		
Non-marketable alternative investments	209,864,364	89,601,192	Illiquid	N/A
Cash equivalents	40,870,968	–	Daily	0 – 1 day
	$ 1,192,172,501	$97,974,913		

4. Investments (Continued)

	Fair value as of December 31, 2024	Unfunded Commit-ments	Redemption Frequency	Redemption Notice Period
Equity investments	$ 189,809,625	$ –	Daily	0 – 6 days
Equity investments	3,807,182	–	Weekly	0 – 6 days
Equity investments	168,525,123	–	Monthly	5 – 60 days
Equity investments	152,539,881	–	Quarterly	30 – 60 days
Total equity investments	514,681,811	–		
Fixed income investments	147,215,944	–	Daily	1 day
Fixed income investments	13,924,589	8,871,815	Illiquid	N/A
Total fixed income investments	161,140,533	8,871,815		
Marketable alternative investments	–	–	Monthly	180 days
Marketable alternative investments	111,173,245	–	Quarterly	60 – 75 days
Marketable alternative investments	2,752,573	–	Biennially	45 days
Total marketable alternative investments	113,925,818	–		
Inflation hedging investments	3,976,187	–	Daily	1 day
Inflation hedging investments	16,873,298	1,493,193	Illiquid	N/A
Total inflation hedging investments	20,849,485	1,493,193		
Non-marketable alternative investments	172,207,035	87,435,113	Illiquid	N/A
Cash equivalents	71,138,438	–	Daily	0 – 1 day
Cash equivalents	1,242,450	–	Monthly	5 – 30 days
Total cash equivalents	72,380,888	–		
	$ 1,055,185,570	$97,800,121		

The illiquid investments noted above generally are investments which require a long-term investment commitment, are not publicly traded, and are intended to be held for the life of the investment fund or partnership. Accordingly, any attempt to sell these investments before the end of their investment period could result in the Foundation realizing less than fair value at the time of any early redemptions. The Foundation intends to hold the investments until maturity.

4. Investments (Continued)

Equity Investments

The purpose of the equity allocation (broadly defined to include domestic stocks and foreign stocks) is to provide appreciation of principal that more than offsets inflation over the long run. It is recognized that pursuit of this objective could entail the assumption of greater return variability and risk within individual asset classes. However, the diversification benefits of combining various equity components should enhance the overall portfolio risk-return profile.

Fixed Income Investments

The purpose of the fixed income allocation is to provide a hedge against deflation, to increase current income relative to an all-equity fund, and to reduce overall volatility of the portfolio. The purpose of including opportunistic fixed income assets such as, but not limited to, global and high yield securities in the portfolio is to enhance the overall risk-return characteristics of the portfolio. Global fixed income managers may hold domestic, international, and non-dollar fixed income securities.

Marketable Alternative Investments

The role of marketable alternative (MALT) investments, often referred to as "hedge funds," is to increase portfolio diversification through offering sources of return that are not generally correlated with traditional equity and fixed income markets. Also, MALT investments provide relatively consistent returns and principal protection in significantly down equity markets, while reducing overall volatility of the portfolio. Investments in the MALT program may take the form of direct investment in a single manager or fund-of-funds manager. MALT managers may engage in the use of derivatives (options/futures/forwards) as part of their investment strategy. MALT investments are generally less liquid than their traditional equity counterparts as most MALT managers have entry/exit terms and capital lockup periods that range from monthly to two years.

Inflation Hedging Investments

The purpose of inflation hedging investments such as, but not limited to, private real estate, real estate investment trusts (REITs), oil and gas partnerships, Treasury Inflation Protection Securities (TIPS), and commodities is to protect the purchasing power of the Fund against unexpected or severe inflation. Inflation hedging investments in REITs, TIPS and commodities are significantly more liquid than investments in oil and gas partnerships and private real estate.

Non-Marketable Alternative Investments

The purpose of "alternative" assets such as, but not limited to, venture capital, private equity, and distressed securities investments is to provide increased return potential and to reduce overall volatility of the Fund through greater diversification. These investments can be made either in the form of direct investment, partnerships, fund-of-funds or with an investment manager. These assets are less liquid and require a longer investment horizon. Most require a multi-year commitment of capital.

4. Investments (Continued)

The Foundation classifies its investments measured at fair value on a recurring basis into Level 1, which refers to investments traded in an active market; Level 2, which refers to investments not traded in an active market but for which observable market inputs are readily available; and Level 3, which refers to investments not traded in an active market and for which no significant observable market inputs are available. Generally, Level 3 investments are valued based upon information provided by fund managers or general partners, including audited financial statements of the investment funds. The levels relate to valuation only and do not necessarily indicate a measure of risk. At December 31, 2025 and 2024, the Foundation's investments measured at fair value on a recurring basis were classified as follows, based on fair values:

	2025				
Description	Investments Measured at NAV [1]	Level 1	Level 2	Level 3	Total
Domestic equity	$ 169,549,769	$ 81,760,114	$ 1,616,221	$ –	$ 252,926,104
Global equity	138,829,079	118,632,187	94,242,245	–	351,703,511
Fixed income	4,117,525	94,123,284	89,022,288	8,633,682	195,896,779
Marketable alternatives	122,991,806	–	–	–	122,991,806
Inflation hedging – natural resources	11,609,660	–	–	–	11,609,660
Inflation hedging – real estate	1,404,228	1,985,224	–	–	3,389,452
Inflation hedging – marketable	–	2,850,156	69,701	–	2,919,857
Non-marketable alternatives	209,864,364	–	–	–	209,864,364
Cash equivalents	–	17,741,797	23,129,171	–	40,870,968
Total investments	$ 658,366,431	$ 317,092,762	$ 208,079,626	$ 8,633,682	$ 1,192,172,501
Investments held in trust	$ –	$ 1,891,318	$ 46,519	$ –	$ 1,937,837

4. Investments (Continued)

	2024				
Description	Investments Measured at NAV [1]	Level 1	Level 2	Level 3	Total
Domestic equity	$ 167,696,360	$ 113,342,123	$ 1,138,581	$ –	$ 282,177,064
Global equity	184,223,594	44,371,861	3,909,292	–	232,504,747
Fixed income	6,308,914	75,637,238	70,578,706	8,615,675	161,140,533
Marketable alternatives	113,925,818	–	–	–	113,925,818
Inflation hedging – natural resources	15,239,559	–	–	–	15,239,559
Inflation hedging – real estate	1,633,738	1,475,505	–	–	3,109,243
Inflation hedging – marketable	–	2,245,265	255,418	–	2,500,683
Non-marketable alternatives	172,207,035	–	–	–	172,207,035
Cash equivalents	1,242,450	18,103,392	53,035,046	–	72,380,888
Total investments	$ 662,477,468	$ 255,175,384	$ 128,917,043	$ 8,615,675	$ 1,055,185,570
Investments held in trust	$ –	$ 1,823,147	$ 48,839	$ –	$ 1,871,986

[1] In accordance with ASC Subtopic 820-10, investments measured using the NAV per share practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

5. Changes in Endowment Net Assets

The major categories of endowment funds at December 31 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
2025			
Original donor restricted gift amount and amounts required to be maintained in perpetuity by donor	$ 5,717,065	$ 131,910,218	$ 137,627,283
Accumulated investment gains	–	79,266,420	79,266,420
Total endowment net assets	$ 5,717,065	$ 211,176,638	$ 216,893,703

5. Changes in Endowment Net Assets (Continued)

	Without Donor Restrictions	With Donor Restrictions	Total
2024			
Original donor restricted gift amount and amounts required to be maintained in perpetuity by donor	$8,757,248	$ 126,999,817	$ 135,757,065
Accumulated investment gains	–	57,718,963	57,718,963
Total endowment net assets	$8,757,248	$ 184,718,780	$ 193,476,028

In the year 2025, the Foundation had the following endowment-related activities:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 8,757,248	$ 184,718,780	$ 193,476,028
Investment return:			
Investment income	–	2,265,110	2,265,110
Change in value of split interest agreements	–	137,059	137,059
Net appreciation (realized and unrealized)	–	27,896,191	27,896,191
Investment fees	–	(494,080)	(494,080)
Total net investment return	–	29,804,280	29,804,280
Contributions		2,352,696	2,352,696
Transfers between net asset classes and releases from endowment net assets including maturing pooled income funds	(3,040,183)	2,492,577	(547,606)
Appropriated for expenditure	–	(8,191,695)	(8,191,695)
Endowment net assets, end of year	$ 5,717,065	$ 211,176,638	$ 216,893,703

5. Changes in Endowment Net Assets (Continued)

In the year 2024, the Foundation had the following endowment-related activities:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$8,349,763	$ 162,151,115	$ 170,500,878
Investment return:			
Investment income	–	2,479,805	2,479,805
Change in value of split interest agreements	–	182,782	182,782
Net appreciation (realized and unrealized)	–	13,424,891	13,424,891
Investment fees	–	(585,265)	(585,265)
Total net investment return	–	15,502,213	15,502,213
Contributions	1,000	14,163,667	14,164,667
Transfers between net asset classes and releases from endowment net assets including maturing pooled income funds	406,485	(16,063)	390,422
Appropriated for expenditure	–	(7,082,152)	(7,082,152)
Endowment net assets, end of year	$8,757,248	$ 184,718,780	$ 193,476,028

The Foundation reclassifies certain funds with donor restrictions and without donor restrictions to reflect donor intent when funds are released from restrictions or additional information surrounding intent is obtained.

6. Net Asset Composition by Type of Fund

The major categories of endowment funds at December 31, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Agency	$ –	$ 7,332,047	$ 7,332,047
Designated	482,191	36,403,923	36,886,114
Donor advised	13,867	16,685,736	16,699,603
Field of interest	3,301,851	50,546,243	53,848,094
Scholarship	1,756,784	59,061,385	60,818,169
Unrestricted (Flexible funds)	162,372	12,260,251	12,422,623
Other	–	28,887,053	28,887,053
Total endowment net assets	$5,717,065	$ 211,176,638	$ 216,893,703

6. Net Asset Composition by Type of Fund (Continued)

The major categories of endowment funds at December 31, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Agency	$ –	$ 6,956,751	$ 6,956,751
Designated	428,461	31,596,534	32,024,995
Donor advised	111,324	14,907,100	15,018,424
Field of interest	2,904,522	44,178,396	47,082,918
Scholarship	3,537,207	53,313,658	56,850,865
Unrestricted (Flexible funds)	992,714	11,083,843	12,076,557
Other	783,020	22,682,498	23,465,518
Total endowment net assets	$8,757,248	$ 184,718,780	$ 193,476,028

Funds with Deficiencies

The aggregate deficiency between the fair value of the investments of the endowment fund at December 31, 2025 and 2024 and the level required by the donor stipulation was $0 and $130,182, respectively. The aggregate fair value of funds with deficiencies was $0 and $2,293,970 and the amount of the original endowment donations required to be maintained was $0 and $2,424,152 at December 31, 2025 and 2024, respectively.

The aggregate deficiency between the fair value of the Foundation's charitable gift annuities at December 31, 2025 and 2024 and the level required for contracted payouts totaled $7,130 and $7,298, respectively.

Non-Endowment Net Asset Composition by Type of Fund

In addition to endowment net assets, the Foundation also maintains non-endowed funds.

The major categories of non-endowment funds at December 31, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Non-Endowment Net Assets
Agency	$ –	$ (7,332,047)	$ (7,332,047)
Designated	162,501,591	–	162,501,591
Donor advised	451,591,234	–	451,591,234
Field of interest	149,689,608	–	149,689,608
Scholarship	109,802,431	–	109,802,431
Unrestricted (Flexible funds)	61,666,936	–	61,666,936
Other	16,463,697	85,011,503	101,475,200
Total non-endowment net assets	$ 951,715,497	$77,679,456	$ 1,029,394,953

6. Net Asset Composition by Type of Fund (Continued)

The major categories of non-endowment funds at December 31, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Non-Endowment Net Assets
Agency	$ (297,409)	(6,659,361)	$ (6,956,770)
Designated	130,867,744	–	130,867,744
Donor advised	421,497,974	–	421,497,974
Field of interest	130,060,781	–	130,060,781
Scholarship	90,978,055	–	90,978,055
Unrestricted (Flexible funds)	54,065,753	6,103,729	60,169,482
Other	13,878,252	77,963,668	91,841,920
Total non-endowment net assets	$ 841,051,150	$77,408,036	$ 918,459,186

Organizational Components

The organizational components of net assets at December 31 are as follows:

	2025		2024	
	Amount	Percent	Amount	Percent
New Hampshire Charitable Foundation, excluding regions	$ 450,781,765	36.2%	$ 351,366,187	31.6%
Regions:				
Piscataqua	152,529,519	12.2	153,968,249	13.8
Monadnock	148,219,209	12.0	101,905,091	9.2
Upper Valley	113,946,916	9.1	103,982,379	9.4
North Country	95,389,268	7.6	140,669,530	12.7
Manchester	81,791,166	6.6	70,145,243	6.3
Capital	78,901,774	6.3	69,973,891	6.3
Lakes	67,950,376	5.4	68,374,424	6.1
Nashua	56,778,663	4.6	51,550,220	4.6
	$ 1,246,288,656	100.0%	$ 1,111,935,214	100.0%

7. Allocation of Joint Costs

The Foundation's activities include program, management, and fundraising components. The FASB requires the Foundation to allocate all costs to one of these three categories. Most costs can be directly attributed to one of these categories, but some costs associated with joint activities cannot be allocated accurately and fully between the three activities. It would be impractical and cost prohibitive to track the individual usage of costs such as telephone, supplies, photocopying, utilities, etc. These costs are referred to as joint costs. The Foundation allocates joint costs to program service, management and general, and fundraising based on time spent on the activities by various personnel. There are no personnel costs included in joint costs because all personnel costs are directly attributable to either program, management or fundraising. Joint costs were allocated as follows:

	2025	2024
Program service	$ 677,054	$ 741,632
Management and general	446,004	456,659
Fundraising	317,245	307,376
	$1,440,303	$1,505,667

8. Affiliated Organizations

OCG, LLC (the LLC) is a wholly-owned nonprofit affiliated entity which was formed under the laws in the State of Minnesota for the purpose of managing risk associated with a gift of the outstanding shares of Tillotson Corporation and subsidiaries. On August 8, 2013, the Foundation's Board of Directors accepted a gift of 100% of the outstanding shares of Tillotson Corporation, a multi-national and diverse corporation formerly in the latex and luxury resort businesses, but now undergoing liquidation of its remaining assets and settlements of its remaining liabilities anticipated to be liquidated in the near future. All activity in relation to the operations of Tillotson Corporation has been recorded as discontinued operations within the consolidated statements of activities.

Given the 100% ownership of the LLC and in turn its ownership of 100% of Tillotson Corporation, the Corporation's assets, liabilities and results of operations have been consolidated within the accompanying 2025 and 2024 financial statements of the Foundation. The net assets contributed at the date of donation totaled $11,884,640, based on management's estimates which were supported by independent appraisals and third-party valuations. In 2025 and 2024, management maintained the estimated litigation reserve and estimated environmental reserve at $300,000 and $560,000, respectively.

8. Affiliated Organizations (Continued)

Condensed aggregate information related to the LLC and Tillotson Corporation follows as of and for the years ended December 31:

	2025	2024
Cash	$ 758,928	$1,145,418
Prepaid expenses	14,740	20,298
Total assets	$ 773,668	$1,165,716
Accounts payable and accrued expenses	$ 81,500	$ 184,368
Estimated litigation settlements	300,000	300,000
Estimated environmental liabilities	560,000	560,000
Total liabilities	941,500	1,044,368
Net deficit without donor restriction	(167,832)	–
Net assets with donor restriction	–	121,348
Total liabilities and net assets	$ 773,668	$1,165,716

The litigation liabilities relate to uncertainties relating to potential legal settlements. The environmental liabilities consist of estimated potential remediation liabilities for properties no longer owned by the Corporation but for which the Corporation retained potential environmental liability. The Foundation has obtained independent appraisals of the potential liability relating to these environmental contingencies.

A summary of the Corporation's operations is as follows:

	2025	2024
Operating expenses	$(250,952)	$(218,521)
Other expense and income	(19,506)	29,868
Net loss from discontinued operations	$(270,458)	$(188,653)

9. Supporting Organization

GRCHF is a separate legal entity established under the provisions of IRS Section 509(a)(c) and is a 501(c)(3) nonprofit entity. GRCHF was established to receive the net proceeds from the sale of Frisbie Memorial Hospital (the Hospital). As defined by the IRS, a Type 1 supporting organization is controlled by the Foundation through operation, supervision, or control by appointing the majority of the supporting organization's board members.

9. Supporting Organization (Continued)

GRCHF's purpose aligns with the mission of the Foundation and will be used to improve the health and well-being and the burden of illness of persons residing in Strafford County, New Hampshire and immediately surrounding communities.

Given the 100% ownership of the Supporting Organization, GRCHF's assets, liabilities and results of operations have been consolidated within the accompanying 2025 and 2024 financial statements of the Foundation. The net assets contributed at the date of donation in 2021 totaled $16,083,769. In 2023, the Purchaser of the Hospital and GRCHF entered into a settlement agreement related to the closure of the labor and birth center at the Hospital. As part of the settlement, the Purchaser agreed to release certain restrictions on $2,000,000 already held by GRCHF. Additionally, in 2023 the Purchaser made a contribution of $750,000 in new funds to GRCHF. All gifts have been recorded as a contribution with donor restrictions as dictated by the State of New Hampshire Probate Court order dated February 24, 2021 aside from the $750,000 contribution without restriction in 2023. In 2025 and 2024, $643,736 and $527,233, respectively, were released from net assets with donor restrictions to net assets without donor restrictions as management believes certain contingencies have been met.

An escrow receivable and associated contingent liability have been recorded in the accompanying consolidated balance sheets in other assets and other liabilities, respectively. At December 31, 2025 and 2024, there are certain uncertainties and contingencies associated with the remainder of these funds and therefore they have not been recognized as contributions. It is unknown when the amount of remaining funds will be released from escrow to the Supporting Organization in the future given the potential for certain claims and assessments to be made against them. No claims were paid in 2025. Claims of approximately $5,284,000 were paid in 2024. GRCHF is aware of approximately $25,000 in escrow claims that will be paid in 2026. The Foundation believes that the funds held in escrow will cover all claims and assessments against GRCHF. In the event that the escrow is insufficient to cover potential claims and assessments, the Purchaser of the Hospital has the right to receive up to approximately $8,200,000 of GRCHF's assets for the excess claims and assessments.

Condensed information related to GRCHF as of and for the years ended December 31 is as follows:

	2025	2024
Assets:		
Cash and cash equivalents	$ 1,310,771	$ 804,015
Investments, at fair value	24,443,435	20,890,582
Contributions receivable	832,157	–
Receivable from escrow	2,520,176	2,496,768
Receivable from trusts	761,752	688,530
Total assets	$29,868,291	$24,879,895

9. Supporting Organization (Continued)

	2025	2024
Liabilities:		
Accounts payable and accrued expenses	$ 579,654	$ 995
Other liabilities	2,295,467	2,295,467
Total liabilities	2,875,121	2,296,462
Net assets (reflected in net assets with donor restrictions)	26,993,170	22,583,433
Total liabilities and net assets	$29,868,291	$24,879,895

A summary of GRCHF's operations is as follows:

	2025	2024
Contributions	$ 1,995,314	$ –
Net investment return	3,047,820	2,189,734
Change in value of split interest agreements	73,222	53,135
Operating expenses	(146,933)	(151,212)
Grants	(559,686)	(300,000)
Total increase in net assets	4,409,737	1,791,657
Net assets at beginning of year	22,583,433	20,791,776
Net assets at end of year	$26,993,170	$22,583,433