AMERICAN YOUTH FOUNDATION

FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

Vredeveld Haefner LLC
CPAs and Consultants

AMERICAN YOUTH FOUNDATION

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Vredeveld Haefner LLC
CPAs and Consultants
10302 20th Avenue
Grand Rapids, MI 49534
Fax (616) 828-0307

Douglas J. Vredeveld, CPA
(616) 446-7474
Michael J. Vredeveld, CPA
(616) 648-8447

INDEPENDENT AUDITOR'S REPORT

August 13, 2025

Board of Directors
American Youth Foundation
Shelby, Michigan

We have audited the accompanying financial statements of the American Youth Foundation (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the American Youth Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the American Youth 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 American Youth Foundation's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of program service revenue and net assets released for scholarships on page 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Vredeveld Haefner LLC

AMERICAN YOUTH FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 and 2023

Assets	**2024**	**2023**
Current assets		
Cash and cash equivalents	$ 1,262,441	$ 1,842,309
Accounts receivable, net	20,314	2,399
Inventory	6,381	20,581
Unconditional promises to give		
Due within one year	351,018	208,203
Prepaid expenses	56,593	67,501
Total current assets	1,696,747	2,140,993
Long-term assets		
Investments - donor purpose restriction and unrestricted	26,245,840	25,334,801
Investments - Board designated	11,391,720	11,085,458
Investments - perpetual restriction	863,330	863,330
Unconditional promises to give, net		
Due in more than one year	709,803	448,274
Property and equipment, net	7,291,162	7,616,733
Total long-term assets	46,501,855	45,348,596
Total assets	**$ 48,198,602**	**$ 47,489,589**
Liabilities		
Accounts payable	$ 103,401	$ 179,941
Accrued liabilities	168,162	40,952
Deferred revenue	308,192	292,007
Total liabilities (all current)	**579,755**	**512,900**
Net assets		
Without donor restriction		
Investment in property and equipment	7,291,162	7,616,733
Board designated	11,729,058	11,422,798
Undesignated	(877,496)	59,233
Total without donor restriction	18,142,724	19,098,764
With donor restriction		
Purpose restriction	28,612,793	27,014,595
Perpetual restriction	863,330	863,330
Total with donor restriction	29,476,123	27,877,925
Total net assets	47,618,847	46,976,689
Total liabilities and net assets	**$ 48,198,602**	**$ 47,489,589**

The accompanying notes are an integral part of these financial statements.

AMERICAN YOUTH FOUNDATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024				
	Without Donor Restriction	With Donor Restriction			
		Temporarily Restricted	Permanently Restricted	Subtotal	Total
Revenue and support					
Program fees:					
Camps	$ 3,383,973	$ -	$ -	$ -	$ 3,383,973
Conferences	164,820	-	-	-	164,820
Community and school programs	887,537	-	-	-	887,537
Financial aid and discounts	(886,356)	-	-	-	(886,356)
Other program service	81,041	-	-	-	81,041
Net program service	3,631,015	-	-	-	3,631,015
Grants and contributions	1,150,578	950,502	-	950,502	2,101,080
Investment income:					
Interest and dividends	441,588	637,021	-	637,021	1,078,609
Realized gain (loss) on investments	154,588	751,980	-	751,980	906,568
Unrealized gain (loss) on investments	348,944	809,433	-	809,433	1,158,377
Total investment income	945,120	2,198,434	-	2,198,434	3,143,554
Miscellaneous income	20,832	-	-	-	20,832
Total revenue and support	5,747,545	3,148,936	-	3,148,936	8,896,481
Net assets released from restriction scholarships	563,085	(563,085)	-	(563,085)	-
Net assets released from time restriction	-	-	-	-	-
Net assets released from restriction other	987,653	(987,653)	-	(987,653)	-
Total revenue, support and release	7,298,283	1,598,198	-	1,598,198	8,896,481
Expenses					
Program services:					
Camps	2,611,185	-	-	-	2,611,185
Conferences	148,952	-	-	-	148,952
Community and school programs	829,018	-	-	-	829,018
Facilities and operations	3,049,015	-	-	-	3,049,015
Total program services	6,638,170	-	-	-	6,638,170
General and administrative	830,308	-	-	-	830,308
Strategic	33,069	-	-	-	33,069
Not specific	-	-	-	-	-
Fundraising	752,776	-	-	-	752,776
Total expenses	8,254,323	-	-	-	8,254,323
Change in net assets	(956,040)	1,598,198	-	1,598,198	642,158
Net assets, beginning of year	19,098,764	27,014,595	863,330	27,877,925	46,976,689
Net assets, end of year	$ 18,142,724	$ 28,612,793	$ 863,330	$ 29,476,123	$ 47,618,847

The accompanying notes are an integral part of these financial statements.

AMERICAN YOUTH FOUNDATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023				
	Without Donor Restriction	With Donor Restriction			
		Temporarily Restricted	Permanently Restricted	Subtotal	Total
Revenue and support					
Program fees:					
Camps	$ 2,844,585	$ -	$ -	$ -	$ 2,844,585
Conferences	142,745	-	-	-	142,745
Community and school programs	771,119	-	-	-	771,119
Financial aid and discounts	(606,792)	-	-	-	(606,792)
Other program service	97,313	-	-	-	97,313
Net program service	3,248,970	-	-	-	3,248,970
Grants and contributions	532,686	2,101,953	2,500	2,104,453	2,637,139
Investment income:					
Interest and dividends	261,143	632,189	-	632,189	893,332
Realized gain (loss) on investments	252,264	611,799	-	611,799	864,063
Unrealized gain (loss) on investments	836,641	2,029,053	-	2,029,053	2,865,694
Total investment income	1,350,048	3,273,041	-	3,273,041	4,623,089
Miscellaneous income	-	-	-	-	-
Total revenue and support	5,131,704	5,374,994	2,500	5,377,494	10,509,198
Net assets released from restriction scholarships	350,525	(350,525)	-	(350,525)	-
Net assets released from time restriction	1,500	(1,500)	-	(1,500)	-
Net assets released from restriction other	1,581,385	(1,581,385)	-	(1,581,385)	-
Total revenue, support and release	7,065,114	3,441,584	2,500	3,444,084	10,509,198
Expenses					
Program services:					
Camps	2,826,766	-	-	-	2,826,766
Conferences	113,347	-	-	-	113,347
Community and school programs	709,350	-	-	-	709,350
Facilities and operations	1,683,641	-	-	-	1,683,641
Total program services	5,333,104	-	-	-	5,333,104
General and administrative	873,362	-	-	-	873,362
Strategic	-	-	-	-	-
Not specific	-	-	-	-	-
Fundraising	745,637	-	-	-	745,637
Total expenses	6,952,103	-	-	-	6,952,103
Change in net assets	113,011	3,441,584	2,500	3,444,084	3,557,095
Net assets, beginning of year	18,985,753	23,573,011	860,830	24,433,841	43,419,594
Net assets, end of year	$ 19,098,764	$ 27,014,595	$ 863,330	$ 27,877,925	$ 46,976,689

The accompanying notes are an integral part of these financial statements.

AMERICAN YOUTH FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2024

	Camp Programs			Conference Programs	Community and School Programs			Other Program Services - Facilities and Operations						
	Miniwanca	Merrowvista	Total	National Leadership Conference	Miniwanca	Merrowvista	Total	Michigan	New Hampshire	Total	General and Administrative	Strategic	General Fundraising	Total
Personnel														
Salaries and wages	$ 709,588	$ 483,169	$ 1,192,757	$ 64,301	$ 170,358	$ 258,382	$ 428,740	$ 945,522	$ 831,584	$ 1,777,106	$ 370,396	$ -	$ 325,173	$ 4,158,473
Employee benefits	104,083	82,508	186,591	11,806	28,265	36,940	65,205	172,516	158,867	331,383	89,415	-	80,898	765,298
Training and recruiting	76,085	43,994	120,079	17,774	9,336	5,933	15,269	6,206	3,623	9,829	53,568	-	47,831	264,350
Food Services	236,573	112,060	348,633	11,456	74,826	74,905	149,731	20,123	16,668	36,791	-	-	-	546,611
Supplies														
Direct program	123,025	101,302	224,327	9,286	10,133	11,803	21,936	10,981	5,684	16,665	12,980	-	56,682	341,876
Janitorial and other	15,345	5,588	20,933	843	5,754	736	6,490	2,183	945	3,128	-	-	162	31,556
Equipment														
Rental/transportation	36,431	40,797	77,228	86	604	859	1,463	35,297	1,056	36,353	469	-	3,823	119,422
Facilities														-
Utilities	85,874	30,923	116,797	4,489	31,424	12,106	43,530	9,501	12,945	22,446	-	-	4,469	191,731
Rental	-	-	-	-	-	-	-	-	-	-	(827)	-	-	(827)
Maintenance and repair	64,299	34,913	99,212	4,541	30,382	18,410	48,792	67,280	30,418	97,698	8,952	-	4,622	263,817
Professional and consulting	1,176	-	1,176	127	886	-	886	211	-	211	188,366	-	63,117	253,883
Other expenses														
Bank charges	396	2,489	2,885	384	49	-	49	603	58	661	10,192	-	4,663	18,834
Payroll processing	3,412	3,655	7,067	2,376	1,289	1,955	3,244	7,220	6,291	13,511	2,802	-	2,460	31,460
Information technology	16,895	2,860	19,755	160	1,121	948	2,069	267	271	538	20,766	-	6,886	50,174
Contract program services	19,587	36,376	55,963	500	-	-	-	-	-	-	362	-	1,800	58,625
Events	-	-	-	-	-	-	-	-	-	-	-	-	39,011	39,011
Property/casualty insurance	43,693	30,124	73,817	4,008	10,621	16,109	26,730	59,498	51,847	111,345	28,330	-	20,274	264,504
Communications	16,364	16,029	32,393	208	1,677	3,849	5,526	1,038	2,492	3,530	9,672	-	606	51,935
Postage and delivery	784	1,488	2,272	4	134	-	134	185	-	185	54	-	41,307	43,956
Advertising	7,248	3,440	10,688	1,818	462	248	710	630	910	1,540	7,233	33,069	24,251	79,309
Taxes and licenses	9,360	4,608	13,968	552	3,477	3,054	6,531	3,725	1,615	5,340	1,659	-	124	28,174
Programs fund and miscellaneous	1,444	3,200	4,644	14,233	779	1,204	1,983	738	86	824	25,919	-	10,415	58,018
Depreciation	-	-	-	-	-	-	-	410,402	169,529	579,931	-	-	14,202	594,133
Total expenses	**$ 1,571,662**	**$ 1,039,523**	**$ 2,611,185**	**$ 148,952**	**$ 381,577**	**$ 447,441**	**$ 829,018**	**$ 1,754,126**	**$ 1,294,889**	**$ 3,049,015**	**$ 830,308**	**$ 33,069**	**$ 752,776**	**$ 8,254,323**

The accompanying notes are an integral part of these financial statements.

AMERICAN YOUTH FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

	Camp Programs			Conference Programs	Community and School Programs			Other Program Services - Facilities and Operations						
	Miniwanca	Merrowvista	Total	National Leadership Conference	Miniwanca	Merrowvista	Total	Nonoperating	Michigan	New Hampshire	Total	General and Administrative	General Fundraising	Total
Cost of Sales	$ 29,316	$ -	$ 29,316	$ 20,438	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 43,216	$ 92,970
Personnel														
Salaries and wages	960,223	571,217	1,531,440	35,156	156,148	168,072	324,220	43,547	481,996	299,342	824,885	596,000	366,616	3,678,317
Employee benefits	192,308	133,602	325,910	2,333	11,847	57,537	69,384	1,927	59,855	44,118	105,900	99,404	93,315	696,246
Training and recruiting	53,490	33,955	87,445	23,572	5,687	5,074	10,761	-	5,217	5,038	10,255	32,045	28,765	192,843
Food Services	178,144	76,990	255,134	9,152	37,376	81,421	118,797	-	68	-	68	-	-	383,151
Supplies														
Direct program	97,874	57,209	155,083	7,132	9,349	4,599	13,948	-	17	57	74	-	-	176,237
Janitorial and other	7,864	2,993	10,857	975	3,448	2,975	6,423	-	79	40	119	-	96	18,470
Equipment														
Rental/transportation	27,000	28,006	55,006	120	-	-	-	-	-	-	-	-	-	55,126
Facilities														
Utilities	58,145	34,838	92,983	7,551	49,037	22,248	71,285	-	11,917	5,866	17,783	-	5,222	194,824
Rental	1,091	2,201	3,292	58	344	1,106	1,450	-	82	721	803	11,880	3,806	21,289
Maintenance and repair	42,892	19,928	62,820	2,279	15,264	11,385	26,649	-	27,458	8,073	35,531	3,520	2,611	133,410
Professional and consulting	5,334	7,356	12,690	750	4,840	4,120	8,960	-	1,301	1,163	2,464	89,736	33,876	148,476
Donation specific	18,060	9,970	28,030	-	-	-	-	-	8,350	-	8,350	16,497	87,760	140,637
Other expenses														
Bank charges	8,242	4,397	12,639	(439)	(416)	-	(416)	-	-	-	-	5,467	3,122	20,373
Property/casualty insurance	48,152	37,587	85,739	597	4,178	15,834	20,012	91,240	11,290	5,936	108,466	5,682	45,341	265,837
Communications	24,092	37,822	61,914	2,947	15,331	20,060	35,391	-	3,253	5,216	8,469	780	13,486	122,987
Postage and delivery	382	351	733	35	245	35	280	-	238	48	286	1,421	18,405	21,160
Advertising and events	7,993	7,467	15,460	691	908	1,023	1,931	-	206	215	421	-	-	18,503
Taxes and licenses	-	275	275	-	-	275	275	-	7,999	4,000	11,999	-	-	12,549
Programs fund and misc	-	-	-	-	-	-	-	-	-	-	-	10,930	-	10,930
Depreciation	-	-	-	-	-	-	-	96,045	332,523	119,200	547,768	-	-	547,768
Total expenses	**$ 1,760,602**	**$ 1,066,164**	**$ 2,826,766**	**$ 113,347**	**$ 313,586**	**$ 395,764**	**$ 709,350**	**$ 232,759**	**$ 951,849**	**$ 499,033**	**$ 1,683,641**	**$ 873,362**	**$ 745,637**	**$ 6,952,103**

The accompanying notes are an integral part of these financial statements.

AMERICAN YOUTH FOUNDATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Change in net assets	$ 642,158	$ 3,528,980
Adjustments to reconcile change in net assets to net cash provided (used in) operating activities:		
Depreciation	594,133	575,883
Contributions restricted for long-term purposes	-	(2,500)
Donated investments	-	178,032
Realized (gain) loss on investments	(906,568)	(864,063)
Unrealized (gain) loss on investments	(1,158,377)	(2,865,694)
Changes in operating assets and liabilities which provided (used) cash:		
Receivables	(160,730)	(199,182)
Inventory	14,200	4,325
Prepaid expenses	10,908	(3,852)
Accounts payable	(76,540)	140,916
Accrued liabilities	127,210	(83,517)
Deferred revenue	16,185	(24,144)
Net cash provided by (used in) operating activities	(897,421)	385,184
Cash flows from investing activities		
Proceeds from sales of investments	5,022,169	2,808,245
Cash used to purchase investments	(4,043,353)	(2,278,798)
Investment fees	(131,172)	(120,090)
Purchases of property and equipment	(268,562)	(309,857)
Net cash provided by (used in) investing activities	579,082	99,500
Cash flows from financing activities		
Contributions received for long-term purposes	(261,529)	(448,274)
Net increase (decrease) in cash and cash equivalents	(579,868)	36,410
Cash and cash equivalents, beginning of year	1,842,309	1,805,899
Cash and cash equivalents, end of year	$ 1,262,441	$ 1,842,309

The accompanying notes are an integral part of these financial statements.

AMERICAN YOUTH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

1. NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The American Youth Foundation (the "Foundation") is a national, not-for-profit youth development organization with centers in Michigan and New Hampshire. The Foundation also maintains a developmental office in St. Louis, Missouri. The American Youth Foundation inspires people to discover and develop their personal best, to seek balance in mental, physical, social and spiritual living and to make a positive difference in their communities and in the wider world. The Foundation is an equal opportunity employer committed to ensuring that staff and participants come from diverse backgrounds. Below are the major service categories and the related programs:

Camps

Summer Camps – As a leader in youth development, the Foundation inspires people to be their best selves. They achieve this by creating a fun and safe environment where campers learn new skills and make new friends. Campers ages 8-17 will find a progression of age-appropriate adventures and opportunities waiting for them. The philosophy of "Best Self", "Balanced Living" and "Healthy Friendships" is intentionally interwoven throughout the camp experiences.

Conferences

American Youth Foundation National Leadership Conferences – Since 1925, young people ages 15-18 from high schools around the world have come together at the National Leadership Conference to discover their personal best and develop their leadership skills needed to make a difference in their homes, schools, communities and in the wider world.

Participants will find themselves living in a dynamic, diverse community where they are encouraged to open their mind to new ways of seeing themselves and others. They will take on real challenges and meaningful responsibility as they live and learn with other young leaders. Using time-tested curriculum relevant to today's young people, they will participate in large group and small group activities. These activities are specifically designed to provide opportunity to both learn and practice leadership skills essential for any of life's vocations.

National Leadership Award – The American Youth Foundation's National Leadership Award is a unique opportunity to honor extraordinary young people for their character and leadership. The award recognizes youth ages 15-18 years old who strive to be their personal best and make a positive difference in their schools, youth groups, 4-H clubs and communities.

Community and School Programs

Community and School Programs – The Foundation's Community and School Programs serve thousands of youth, educators and youth advocates through programs designed to promote the discovery and development of the Foundation's core concepts: Best Self, Balanced Living and Positive Relationships. As a leader in the field of Positive Youth Development, we seek to provide youth with opportunities to identify and accentuate their personal assets and translate those assets into productive components of their lives.

Other Program Services

The Foundation conducts various activities that support its primary program services. Included are charter transportation used to transport participants to various Foundation program sites and other facility costs.

General and Administrative

Includes the functions necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of the Foundation's program strategy, secure proper administrative functions of the Board of Directors, maintain component legal services for the program administration of the Foundation and manage the financial and budgetary responsibilities of the Foundation.

Fundraising

Provides the structure necessary to encourage and secure private financial support from individuals, organizations and corporations.

Basis of Accounting/Presentation

The Foundation financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United State of America (GAAP). GAAP requires the Foundation to report information regarding its financial position and activities according to two classes of net assets depending on the existence or absence of donor-imposed restrictions: net assets without donor restrictions and net assets with donor restrictions.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits in banks and cash on hand. The Foundation maintains demand deposits in banks that are insured by the Federal Deposit Insurance Corporation up to the legal limit. Management believes the Foundation is not exposed to any significant interest rate or other risk on these deposits.

Investments

Investments are carried at fair value as determined by quoted market prices. Realized and unrealized gains and losses, if any, are included as changes in net assets in the accompanying statement of activities.

Fair Value Measurements

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data, such as the reporting entity's own data.

For assets and liabilities recorded at fair value, it is the Foundation's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements for those financial instruments for which there is an active market. In cases where the market for a financial asset or liability is not active, the Foundation includes appropriate risk adjustments that market participants would make for nonperformance and liquidity risks when developing fair value measurements. Fair value measurements for assets and liabilities for which limited or no observable market data exists are accordingly based primarily upon estimates and are often calculated based on the economic and competitive environment, the characteristics of the asset or liability and other factors. Therefore, the results cannot be determined with precision and may not be realized in an actual sale or immediate settlement of the asset or liability. Additionally, there may be inherent weaknesses in any calculation technique and changes in the underlying assumptions used, including discount rates and estimates of future cash flows, could significantly affect the results of current or future values. For a further discussion of fair value measurements, refer to Note 3.

Accounts Receivable and Unconditional Promises to Give

Unconditional promises to give consist of pledged donations from various corporations, foundations and individuals. Many of these donations have been restricted by time and use. Unconditional promises to give are recognized as revenues in the period the promises are received. Accounts receivable and unconditional promises to give are recorded at the net present value that management expects to collect from balances outstanding at year-end. Based on management's assessment of its credit history with customers and donors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Receivables deemed to be uncollectable by management are expensed when they are determined to be uncollectable.

Inventory

Inventory consists of books held for sale in conjunction with the National Leadership Program. Inventory is stated at cost using the first in, first-out method of inventory accounting.

Prepaid Expenses

Payments to vendors for services that will benefit periods beyond the Foundation's year-end are recorded as prepaid expenses.

Property and Equipment and Depreciation

Facilities and equipment acquired are recorded at cost, if purchased, or at fair value, if donated. Management's policy is to capitalize individual assets or groups of assets which will be used together as a system with a cost of $2,500 or greater and estimated lives of three years or more. Expenditures for repairs or maintenance that do not extend the useful lives of capital assets are expensed. The costs of improvements are capitalized and depreciated over the remaining useful lives of the related capital asset. Depreciation is recorded using the straight-line method over periods ranging from 3 to 40 years.

Management annually reviews these assets to determine whether the carrying values have been impaired and useful lives are reasonable.

Deferred Revenue

Deferred revenue results primarily from deposits received in advance for camp and program enrollment.

Contributions

Contributions received are recorded as contributions without donor restrictions and with donor restrictions depending on the existence or nature of any donor restrictions. When a donor restriction expires, net asset with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities as net assets released from restriction.

Revenue Recognition

Program service fees, excluding contributions, are billed to individuals and organizations. Revenues are generally recognized on a monthly basis as the services are provided.

Functional Allocation of Expenses

Expenses are charged to program services and supporting activities by specific identification where possible. Common costs have been allocated among the programs and supporting services based on the benefits receive by each activity. Methods for allocating common cost include allocation based on direct wages, program participants and other factors.

Donated Services, Facilities and Supplies

Certain professional services are donated to the Foundation by various organizations and individuals. Since these donated services meet the criteria for recognition, they are recorded at fair value at the date of donation. In addition, a substantial number of volunteers have donated a significant amount of their time to the Foundation's programs. However, such donated services have not been recorded because they do not meet criteria for recognition.

Various facilities and supplies are donated to the Foundation. These items are recorded as contributions at their respective estimated fair values at the date of the donation.

Income Taxes

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision has been made for income taxes in the accompanying financial statements. As of December 31, 2024, the years 2022 through 2024 remain subject to examination by major taxing jurisdictions. The Foundation has concluded that there are no significant uncertain tax positions requiring recognition in the financial statements.

Subsequent and other Events

In preparing these financial statements, management has evaluated significant events and transactions for potential recognition or disclosure subsequent to December 31, 2024 and through the auditors' report date, the date the financial statements were available to be issued.

2. INVESTMENTS AND FAIR VALUE MEASUREMENT

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments measured at fair value at December 31:

2024	Total	Level 1	Level 2	Level 3
Money market funds and cash	$ 136,673	$ 136,673	$ -	$ -
Equity mutual funds	27,476,077	27,476,077	-	-
Fixed income mutual funds	10,888,140	10,888,140	-	-
	$38,500,890	**$38,500,890**	**$ -**	**$ -**

2023	Total	Level 1	Level 2	Level 3
Money market funds and cash	$ 101,229	$ 101,229	$ -	$ -
Equity mutual funds	26,762,375	26,762,375	-	-
Fixed income mutual funds	10,419,985	10,419,985	-	-
			-	-
Money market funds and cash	**$37,283,589**	**$37,283,589**	**$ -**	**$ -**

Fair value is defined by generally accepted accounting principles as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

In addition to defining fair value, accounting standards establish a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities, and the lowest priority to unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 - inputs are unadjusted quoted market prices in active markets for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - inputs to the valuation methodology include:
a) quoted prices for similar assets and liabilities in active markets
b) quoted prices for identical or similar assets and liabilities in markets that are not active
c) other inputs that are observable or can be corroborated by observable market data
d) inputs that are derived from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - inputs are generally unobservable and significant to the fair value measurement. Such inputs typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability, including certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

3. LIQUIDITY AND AVAILABLITY OF FINANCIAL ASSETS

The Foundation had the following financial assets available within one year of the balance sheet dates to provide for general operations:

Account	2024	2023
Cash and cash equivalents	$ 1,262,441	$ 1,817,031
Accounts receivable, net	20,314	2,399
Unconditional promises to give – due within one year	351,018	208,203
Investments	38,500,890	37,283,589
Less net assets with donor restrictions included above:		
Purpose restriction	(28,612,793)	(27,014,595)
Time restriction	-	-
Perpetual restriction	(863,330)	(863,330)
Less net assets without donor restriction included above:		
Board designated – available for Board appropriation	(11,729,058)	(11,422,789)
Total	**$ (1,070,518)**	**$ 10,508**

As part of its liquidity management, the Foundation collects donations and seasonal camp, conference and community and school fees that support general operations. In addition, net assets without donor restrictions (Board designated) and net assets with donor restrictions including purpose and time restrictions are typically available for appropriation and expenditure based on Foundation policy and donor restrictions.

4. PLEDGES RECEIVABLE

Unconditional promises to give consist of the following:

	2024	2023
Receivable due in less than one year	$ 351,018	$208,203
Receivable due in two to four years	812,688	533,160
Unconditional promises to give	1,163,706	741,363
Less: discount to net present value	102,885	84,886
Unconditional promises to give, net	**$1,060,821**	**$656,477**

Promises to give that were received in 2023 are discounted at 8.5% and those that were received in 2024 are discounted at 7.5%.

5. PROPERTY AND EQUIPMENT

Property and equipment is summarized as follows at December 31:

	2024	2023
Land	$ 1,242,668	$ 1,242,668
Construction in progress	10,500	231,292
Land improvements	2,047,100	2,039,753
Buildings and improvements	18,848,620	18,496,036
Vehicles	534,702	515,452
Equipment	1,026,654	916,481
Total property and equipment	23,710,244	23,441,682
Less: accumulated depreciation and amortization	16,419,082	15,824,949
Property and equipment, net	**$ 7,291,162**	**$ 7,616,733**

6. ENDOWMENT FUNDS AND NET ASSETS

The Foundation's endowment funds consist of a combination of select net assets with donor restrictions and board designated net assets without donor restrictions.

Interpretation of Relevant Law

The Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date for donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (perpetually restricted) (a) the original value of gifts required to be held in perpetuity, (b) the original value of subsequent gifts required to be held in perpetuity (c) the accumulations to net assets with donor restrictions perpetually restricted required to be maintained in perpetuity as required by the donor's gift instrument. The remaining portion of the net assets with donor restrictions included in the endowment fund are donor restricted until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate funds:

- The duration and preservation of the fund;
- The purposes of the Foundation and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Foundation; and
- The investment policies of the Foundation.

Following is the composition of Foundation's net assets as of December 31:

	Endowment Funds				
	Net Assets Without Donor Restrictions	Net assets with Donor Restrictions		Net Assets Without Donor Restrictions	Net assets With Donor Restrictions
2024	**Board Designated**	**Purpose Restriction**	**Perpetual Restriction**	**Board Designated**	**Purpose/Time Restricted**
Capital projects and infrastructure	$ 9,982,386	$14,439,757	$ 28,197	$131,514	$ 343,707
Scholarships	7,678	829,767	713,222	-	333,309
Environmental awareness	-	197,357	-	-	-
Leadership	-	1,473,021	20,000	-	-
General operations	1,401,654	577,861	101,911	205,826	1,690,005
Strategic activity	-	8,728,009	-	-	-
Total	**$11,391,718**	**$26,245,772**	**$863,330**	**$337,340**	**$2,367,021**

	Endowment Funds				
	Net Assets Without Donor Restrictions	Net assets with Donor Restrictions		Net Assets Without Donor Restrictions	Net assets With Donor Restrictions
2023	**Board Designated**	**Purpose Restriction**	**Perpetual Restriction**	**Board Designated**	**Purpose/Time Restricted**
Capital projects and infrastructure	$ 9,194,172	$14,000,739	$ 28,197	$131,514	$ 156,003
Scholarships	66,187	846,946	713,222	-	241,407
Environmental awareness	-	182,006	-	-	-
Leadership	-	1,356,887	20,000	-	41,228
General operations	1,825,099	524,985	101,911	205,826	1,162,797
Strategic activity	-	8,418,100	-	-	(67,074)
Total	**$11,085,458**	**$25,329,663**	**$863,330**	**$337,340**	**$1,534,361**

Following are the changes in endowment net assets for the years ended December 31:

	Endowment Funds		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	
	Board Designated	Purpose Restriction	Perpetual Restriction
Net assets, December 31, 2022	**$10,326,174**	**$22,940,580**	**$860,830**
Investment return			
Investment income, net of expense	258,544	632,189	-
Realized and unrealized gain (loss)	1,080,022	2,640,852	-
Contributions	-	387,018	2,500
Reclassification	-	(64,540)	-
Release of assets for expenditure	(579,282)	(1,206,436)	-
Net assets, December 31, 2023	**$11,085,458**	**$25,329,663**	**$863,330**
Investment return			
Investment income, net of expense	441,588	637,021	-
Realized and unrealized gain (loss)	506,149	1,561,413	-
Contributions	-	50,000	-
Reclassification	-	(82,324)	-
Release of assets for expenditure	(641,477)	(1,250,001)	-
Net assets, December 31, 2024	**$11,391,718**	**$26,245,772**	**$863,330**

Earnings on net assets with donor perpetual restrictions are reported as income of net assets with donor purpose restrictions. Realized and unrealized gain/(loss) is not separately tracked for net assets of each endowment and non-endowment account. Realized and unrealized gain/(loss) are allocated for purposes of the financial statements and above disclosure between classes of net assets based on year-end investment income balances.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2024.

Return Objectives and Risk Parameters

The principal objectives of the Foundation's investment program apply to all investments, both restricted and unrestricted, and are stated as follows: 1) preservation of capital on an absolute basis, 2) generation of income to fulfill the charitable purpose of the Foundation and 3) provide market equivalent return on investment.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation policy 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 is designed to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year no more than 5 percent of its investment's average fair value over the prior 5 years average market value. In establishing this policy, the Foundation considered the long-term expected return on its investments. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

7. RETIREMENT PLAN

The Foundation offers a Simple IRA plan to all full-time employees. The plan allows the participants to make contributions to the plan through salary deferrals. The plan also provides for employer matching contributions to a maximum of 3% of eligible compensation. For 2024 and 2023, the Foundation's contributions to the plan were $44,317 and $38,100 respectively.

8. LEASE RECEIVABLE

The Foundation has a lease arrangement to lease space to a third party for cell tower installations. The terms of the lease are as follows.

The initial lease term ends in February 2039, with options to extend for eight additional five-year terms through February 2079. Payments increase 10% each year. Lease revenue for the year was $13,068. The lessee can terminate this lease upon 60 days notice upon certain conditions specified within the contract. Scheduled payments for the initial lease term are summarized below for the years succeeding December 31, 2024.

Year	Amount
2025	$ 14,375
2026	15,812
2027	17,394
2028	19,133
2029	21,046
Thereafter	429,011
Total	**$516,771**

9. RELATED PARTY TRANSACTIONS

Approximately 34% and 24% of total grants and contribution revenues recorded during 2024 and 2023, respectively, were from individuals and organizations related to Board members. Pledges receivable in the amount of $385,000 are pledged from Board members.

10. RISK MANAGEMENT

The Foundation is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), as well as medical benefits provided to employees. Management estimates approximately 40% of its buildings and improvements are self-insured for property damage. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

11. PRIOR PERIOD ADJUSTMENT

During 2024, the Foundation identified errors in prior depreciation of capital assets. As a result, net assets without donor restrictions as of December 31, 2022 were reduced by $465,128, and depreciation expense for 2023 was reduced by $28,115. Comparative amounts have been restated accordingly.

SUPPLEMENTARY INFORMATION

AMERICAN YOUTH FOUNDATION

SCHEDULE OF PROGRAM SERVICE REVENUE AND NET ASSETS RELEASED FOR SCHOLARSHIPS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Camp Programs			Conference Programs	Community and School Programs				
	Miniwanca	Merrowvista	Total	National Leadership Conference	Miniwanca	Merrowvista	Total	Administration	Grand Total
Program fees									
Regular	$ 2,194,586	$ 1,189,387	$ 3,383,973	$ 164,820	$ 308,945	$ 578,592	$ 887,537	$ -	$ 4,436,330
Less									
Financial aid and discounts	(484,332)	(265,724)	(750,056)	(79,015)	(10,000)	(47,285)	(57,285)	-	(886,356)
Net tuition	1,710,254	923,663	2,633,917	85,805	298,945	531,307	830,252	-	3,549,974
Other program service fees	39,867	16,689	56,556	18,200	6,285	-	6,285	-	81,041
Net assets released from restriction for scholarships	286,661	183,733	470,394	53,731	10,000	28,960	38,960	-	563,085
Total	**$ 2,036,782**	**$ 1,124,085**	**$ 3,160,867**	**$ 157,736**	**$ 315,230**	**$ 560,267**	**$ 875,497**	**$ -**	**$ 4,194,100**