AMERICAN YOUTH FOUNDATION

FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024

Vredeveld Haefner LLC
CPAs and Consultants

AMERICAN YOUTH FOUNDATION

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Functional Expenses	6-7
Statements of Cash Flows	8
Notes to Financial Statements	9-19
Supplementary Information	
Schedule of Program Service Revenue and Net Assets Released for Scholarships	20

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

May 26, 2026

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, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the American Youth Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the 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

BASIC FINANCIAL STATEMENTS

AMERICAN YOUTH FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 and 2024

Assets	**2025**	**2024**
Current assets		
Cash and cash equivalents	$ 2,605,435	$ 1,262,441
Accounts receivable, net	-	20,314
Inventory	36,525	6,381
Unconditional promises to give		
Due within one year	403,545	351,018
Prepaid expenses	79,773	56,593
Total current assets	3,125,278	1,696,747
Long-term assets		
Investments - donor purpose restriction and unrestricted	27,559,935	26,245,840
Investments - Board designated	11,988,229	11,391,720
Investments - perpetual restriction	866,330	863,330
Unconditional promises to give, net		
Due in more than one year	556,805	709,803
Property and equipment, net	7,648,594	7,291,162
Total long-term assets	48,619,893	46,501,855
Total assets	**$ 51,745,171**	**$ 48,198,602**
Liabilities		
Accounts payable	$ 290,706	$ 103,401
Accrued liabilities	50,974	168,162
Deferred revenue	302,443	308,192
Total liabilities (all current)	**644,123**	**579,755**
Net assets		
Without donor restriction		
Investment in property and equipment	7,648,594	7,291,162
Board designated	12,397,228	11,729,058
Undesignated	96,462	(877,496)
Total without donor restriction	20,142,284	18,142,724
With donor restriction		
Purpose restriction	30,092,434	28,612,793
Perpetual restriction	866,330	863,330
Total with donor restriction	30,958,764	29,476,123
Total net assets	51,101,048	47,618,847
Total liabilities and net assets	**$ 51,745,171**	**$ 48,198,602**

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

AMERICAN YOUTH FOUNDATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025				
	Without Donor Restriction	With Donor Restriction			
		Temporarily Restricted	Permanently Restricted	Subtotal	Total
Revenue and support					
Program fees:					
Camps	$ 3,635,046	$ -	$ -	$ -	$ 3,635,046
Conferences	229,700	-	-	-	229,700
Community and school programs	1,007,794	-	-	-	1,007,794
Centennial	109,521	-	-	-	109,521
Financial aid and discounts	(1,118,100)	-	-	-	(1,118,100)
Other program service	120,141	-	-	-	120,141
Net program service	3,984,102	-	-	-	3,984,102
Grants and contributions	1,319,882	935,315	3,000	938,315	2,258,197
Investment income:					
Interest and dividends	302,395	719,581	-	719,581	1,021,976
Realized gain (loss) on investments	650,761	1,548,640	-	1,548,640	2,199,401
Unrealized gain (loss) on investments	754,400	1,795,270	-	1,795,270	2,549,670
Total investment income	1,707,556	4,063,491	-	4,063,491	5,771,047
Miscellaneous income	62,601	-	-	-	62,601
Total revenue and support	7,074,141	4,998,806	3,000	5,001,806	12,075,947
Net assets released from restriction scholarships	848,433	(848,433)	-	(848,433)	-
Net assets released from restriction other	2,670,732	(2,670,732)	-	(2,670,732)	-
Total revenue, support and release	10,593,306	1,479,641	3,000	1,482,641	12,075,947
Expenses					
Program services:					
Miniwanca camp programs	4,198,806	-	-	-	4,198,806
Merrowvista camp programs	2,697,750	-	-	-	2,697,750
Total program services	6,896,556	-	-	-	6,896,556
General and administrative	962,155	-	-	-	962,155
Fundraising	735,035	-	-	-	735,035
Total expenses	8,593,746	-	-	-	8,593,746
Change in net assets	1,999,560	1,479,641	3,000	1,482,641	3,482,201
Net assets, beginning of year	18,142,724	28,612,793	863,330	29,476,123	47,618,847
Net assets, end of year	$ 20,142,284	$ 30,092,434	$ 866,330	$ 30,958,764	$ 51,101,048

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
Centennial	-	-	-	-	-
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 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:					
Miniwanca camp programs	3,856,317	-	-	-	3,856,317
Merrowvista camp programs	2,781,853	-	-	-	2,781,853
Total program services	6,638,170	-	-	-	6,638,170
General and administrative	863,377	-	-	-	863,377
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 FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Miniwanca Camp Programs					Merrowvista Camp Programs				General and Administrative			Fundraising			
	Summer Camps	National Leadership Conference	Community and School Programs	Facilities, Food Service and Operations	Total	Summer Camps	Community and School Programs	Facilities, Food Service and Operations	Total	General and Administrative	Strategic	Total	Fundraising	Centennial	Total	Total
Personnel																
Salaries and wages	$ 755,286	$ 62,283	$ 250,968	$ 982,346	$ 2,050,883	$ 510,281	$ 225,527	$ 767,138	$ 1,502,946	$ 496,010	$ -	$ 496,010	$ 345,693	$ -	$ 345,693	$ 4,395,532
Employee benefits	59,182	3,671	18,479	61,252	142,584	33,713	16,560	47,510	97,783	470,726	-	470,726	19,646	-	19,646	730,739
Training and recruiting	73,399	21,081	11,224	29,940	135,644	53,712	16,097	16,488	86,297	51,842	-	51,842	13,015	8,040	21,055	294,838
Food Services	46,575	-	1,136	287,753	335,464	5,802	-	205,410	211,212	-	-	-	6	-	6	546,682
Supplies																
Direct program	105,032	13,582	8,359	61,648	188,621	45,262	9,992	13,195	68,449	55,128	-	55,128	11,802	28,495	40,297	352,495
Janitorial and other	-	-	-	23,432	23,432	1,933	-	7,219	9,152	-	-	-	-	-	-	32,584
Equipment																
Rental/transportation	84,628	46,819	417	6,880	138,744	39,358	88	10,004	49,450	-	-	-	3,898	-	3,898	192,092
Facilities																
Utilities	-	-	26	160,065	160,091	-	-	60,762	60,762	-	-	-	5,390	-	5,390	226,243
Rental	-	-	-	-	-	-	-	-	-	-	-	-	40	-	40	40
Maintenance and repair	849	105	739	386,838	388,531	3,526	-	78,383	81,909	55,327	569,682	625,009	7,879	7,130	15,009	1,110,458
Capitalized project costs																
Professional and consulting	-	-	-	-	-	-	-	-	-	210,572	-	210,572	-	-	-	210,572
Other expenses																
Bank charges	-	-	-	2,134	2,134	81	-	1	82	7,013	-	7,013	-	-	-	9,229
Payroll processing	7,274	464	2,895	10,609	21,242	4,226	2,750	9,123	16,099	25,115	-	25,115	3,996	-	3,996	66,452
Information technology	-	-	-	-	-	-	-	-	-	46,302	-	46,302	-	-	-	46,302
Contract program services	500	-	-	-	500	11,281	-	-	11,281	900	-	900	-	25,196	25,196	37,877
Events	375	-	70	1,811	2,256	-	-	89	89	296	-	296	51,355	25,810	77,165	79,806
Property/casualty insurance	-	-	-	203	203	-	-	-	-	265,842	-	265,842	283	-	283	266,328
Communications	10,733	-	-	11,023	21,756	6,811	3,102	26,450	36,363	-	-	-	4,065	-	4,065	62,184
Postage and delivery	191	554	45	2,609	3,399	329	23	1,068	1,420	210	-	210	9,089	4,857	13,946	18,975
Advertising	2,087	39	63	3,960	6,149	753	10	655	1,418	2,190	-	2,190	47,032	41,230	88,262	98,019
Taxes and licenses	15	-	-	17,260	17,275	230	-	12,125	12,355	22,736	-	22,736	171	-	171	52,537
Programs fund and miscellaneous	170	41	728	10,484	11,423	2,721	-	4,482	7,203	11,727	-	11,727	1,521	9,228	10,749	41,102
Allocated costs																
Depreciation	-	-	-	409,299	409,299	-	-	171,927	171,927	-	-	-	11,857	-	11,857	593,083
Total expenses, before reclassifications	$ 1,146,296	$ 148,639	$ 295,149	$ 2,469,546	$ 4,059,630	$ 720,019	$ 274,149	$ 1,432,029	$ 2,426,197	$ 1,721,936	$ 569,682	$ 2,291,618	$ 536,738	$ 149,986	$ 686,724	$ 9,464,169
Reclassifications																
Allocated costs	69,501	20,036	33,815	225,451	348,803	66,260	24,762	188,891	279,913	(708,495)	-	(708,495)	79,781	-	79,781	2
Capitalized project costs	-	-	-	(209,627)	(209,627)	(3,266)	-	(5,094)	(8,360)	(55,189)	(565,779)	(620,968)	-	(31,470)	(31,470)	(870,425)
Total reclassifications	69,501	20,036	33,815	15,824	139,176	62,994	24,762	183,797	271,553	(763,684)	(565,779)	(1,329,463)	79,781	(31,470)	48,311	(870,423)
Total expenses	**$ 1,215,797**	**$ 168,675**	**$ 328,964**	**$ 2,485,370**	**$ 4,198,806**	**$ 783,013**	**$ 298,911**	**$ 1,615,826**	**$ 2,697,750**	**$ 958,252**	**$ 3,903**	**$ 962,155**	**$ 616,519**	**$ 118,516**	**$ 735,035**	**$ 8,593,746**

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

	Miniwanca Camp Programs					Merrowvista Camp Programs				General and Administrative				
	Summer Camps	National Leadership Conference	Community and School Programs	Facilities and Operations	Total	Summer Camps	Community and School Programs	Facilities and Operations	Total	General and Administrative	Strategic	Total	Fundraising	Total
Personnel														
Salaries and wages	$ 709,588	$ 64,301	$ 170,358	$ 945,522	$ 1,889,769	$ 483,169	$ 258,382	$ 831,584	$ 1,573,135	$ 370,396	$ -	$ 370,396	$ 325,173	$4,158,473
Employee benefits	104,083	11,806	28,265	172,516	316,670	82,508	36,940	158,867	278,315	89,415	-	89,415	80,898	765,298
Training and recruiting	76,085	17,774	9,336	6,206	109,401	43,994	5,933	3,623	53,550	53,568	-	53,568	47,831	264,350
Food Services	236,573	11,456	74,826	20,123	342,978	112,060	74,905	16,668	203,633	-	-	-	-	546,611
Supplies														
Direct program	123,025	9,286	10,133	10,981	153,425	101,302	11,803	5,684	118,789	12,980	-	12,980	56,682	341,876
Janitorial and other	15,345	843	5,754	2,183	24,125	5,588	736	945	7,269	-	-	-	162	31,556
Equipment														
Rental/transportation	36,431	86	604	35,297	72,418	40,797	859	1,056	42,712	469	-	469	3,823	119,422
Facilities														
Utilities	85,874	4,489	31,424	9,501	131,288	30,923	12,106	12,945	55,974	-	-	-	4,469	191,731
Rental	-	-	-	-	-	-	-	-	-	(827)	-	(827)	-	(827)
Maintenance and repair	64,299	4,541	30,382	67,280	166,502	34,913	18,410	30,418	83,741	8,952	-	8,952	4,622	263,817
Professional and consulting	1,176	127	886	211	2,400	-	-	-	-	188,366	-	188,366	63,117	253,883
Other expenses														
Bank charges	396	384	49	603	1,432	2,489	-	58	2,547	10,192	-	10,192	4,663	18,834
Payroll processing	3,412	2,376	1,289	7,220	14,297	3,655	1,955	6,291	11,901	2,802	-	2,802	2,460	31,460
Information technology	16,895	160	1,121	267	18,443	2,860	948	271	4,079	20,766	-	20,766	6,886	50,174
Contract program services	19,587	500	-	-	20,087	36,376	-	-	36,376	362	-	362	1,800	58,625
Events	-	-	-	-	-	-	-	-	-	-	-	-	39,011	39,011
Property/casualty insurance	43,693	4,008	10,621	59,498	117,820	30,124	16,109	51,847	98,080	28,330	-	28,330	20,274	264,504
Communications	16,364	208	1,677	1,038	19,287	16,029	3,849	2,492	22,370	9,672	-	9,672	606	51,935
Postage and delivery	784	4	134	185	1,107	1,488	-	-	1,488	54	-	54	41,307	43,956
Advertising	7,248	1,818	462	630	10,158	3,440	248	910	4,598	7,233	33,069	40,302	24,251	79,309
Taxes and licenses	9,360	552	3,477	3,725	17,114	4,608	3,054	1,615	9,277	1,659	-	1,659	124	28,174
Programs fund and miscellaneous	1,444	14,233	779	738	17,194	3,200	1,204	86	4,490	25,919	-	25,919	10,415	58,018
Depreciation	-	-	-	410,402	410,402	-	-	169,529	169,529	-	-	-	14,202	594,133
Total expenses	**$ 1,571,662**	**$ 148,952**	**$ 381,577**	**$ 1,754,126**	**$ 3,856,317**	**$ 1,039,523**	**$ 447,441**	**$ 1,294,889**	**$ 2,781,853**	**$ 830,308**	**$ 33,069**	**$ 863,377**	**$ 752,776**	**$ 8,254,323**

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

AMERICAN YOUTH FOUNDATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	$ 3,482,201	$ 642,158
Adjustments to reconcile change in net assets to net cash provided (used in) operating activities:		
Depreciation	593,083	594,133
Contributions restricted for long-term purposes	(3,000)	-
Realized (gain) loss on investments	(2,199,401)	(906,568)
Unrealized (gain) loss on investments	(2,549,670)	(1,158,377)
Changes in operating assets and liabilities which provided (used) cash:		
Receivables	(32,213)	(160,730)
Inventory	(30,144)	14,200
Prepaid expenses	(23,180)	10,908
Accounts payable	187,305	(76,540)
Accrued liabilities	(117,188)	127,210
Deferred revenue	(5,749)	16,185
Net cash provided by (used in) operating activities	(697,956)	(897,421)
Cash flows from investing activities		
Proceeds from sales of investments	6,359,687	5,022,169
Cash used to purchase investments	(3,385,825)	(4,043,353)
Investment fees	(135,395)	(131,172)
Purchases of property and equipment	(950,515)	(268,562)
Net cash provided by (used in) investing activities	1,887,952	579,082
Cash flows from financing activities		
Contributions received for long-term purposes	152,998	(261,529)
Net increase (decrease) in cash and cash equivalents	1,342,994	(579,868)
Cash and cash equivalents, beginning of year	1,262,441	1,842,309
Cash and cash equivalents, end of year	$ 2,605,435	$ 1,262,441

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, 2025 and 2024

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 States 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, 2025, the years 2023 through 2025 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, 2025 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:

2025	Total	Level 1	Level 2	Level 3
Money market funds and cash	$ 191,388	$ 191,388	$ -	$ -
Equity mutual funds	17,505,705	17,505,705	-	-
Fixed income mutual funds	22,717,401	22,717,401	-	-
	$40,414,494	**$40,414,494**	**$ -**	**$ -**

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	**$38,500,890**	**$ -**	**$ -**

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	2025	2024
Cash and cash equivalents	$ 2,605,435	$ 1,262,441
Accounts receivable, net	-	20,314
Unconditional promises to give – due within one year	403,545	351,018
Investments	40,414,494	38,500,890
Less net assets with donor restrictions included above:		
Purpose restriction	(30,092,434)	(28,612,793)
Time restriction	-	-
Perpetual restriction	(866,330)	(863,330)
Less net assets without donor restriction included above:		
Board designated – available for Board appropriation	(12,397,228)	(11,729,058)
Total	**$ 67,482**	**$ (1,070,518)**

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:

	2025	2024
Receivable due in less than one year	$ 403,545	$ 351,018
Receivable due in two to four years	613,365	812,688
Unconditional promises to give	1,016,910	1,163,706
Less: discount to net present value	56,560	102,885
Unconditional promises to give, net	**$ 960,350**	**$1,060,821**

Promises to give that were received in 2024 are discounted at 7.5% and those that were received in 2025 are discounted at 6.75%.

5. PROPERTY AND EQUIPMENT

Property and equipment is summarized as follows at December 31:

	2025	2024
Land	$ 1,242,668	$ 1,242,668
Construction in progress	610,109	10,500
Land improvements	2,047,100	2,047,100
Buildings and improvements	19,138,232	18,848,620
Vehicles	577,217	534,702
Equipment	1,045,433	1,026,654
Total property and equipment	24,660,759	23,710,244
Less: accumulated depreciation and amortization	17,012,165	16,419,082
Property and equipment, net	**$ 7,648,594**	**$ 7,291,162**

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
2025	**Board Designated**	**Purpose Restriction**	**Perpetual Restriction**	**Board Designated**	**Purpose/Time Restricted**
Capital projects and infrastructure	$11,201,501	$15,093,493	$ 28,197	$408,999	$ 498,615
Scholarships	-	434,431	716,222	-	577,431
Environmental awareness	-	419,090	-	-	-
Leadership	-	1,696,816	20,000	-	-
General operations	786,728	679,755	101,911	-	1,456,521
Strategic activity	-	9,236,282	-	-	-
Total	**$11,988,229**	**$27,559,867**	**$866,330**	**$408,999**	**$2,532,567**

	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	677,121	713,222	-	333,309
Environmental awareness	-	350,003	-	-	-
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**

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, 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**
Investment return			
Investment income, net of expense	302,379	719,581	-
Realized and unrealized gain (loss)	1,405,161	3,343,910	-
Contributions	-	-	3,000
Reclassification	(277,485)	(149,009)	-
Release of assets for expenditure	(833,544)	(2,600,387)	-
Net assets, December 31, 2025	**$11,988,229**	**$27,559,867**	**$866,330**

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, 2025.

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 2025 and 2024, the Foundation's contributions to the plan were $36,133 and $44,317 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 lease term renewal. 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, 2025.

Year	Amount
2026	$ 13,068
2027	13,068
2028	13,068
2029	14,375
2030	14,375
Thereafter	122,186
Total	**$190,140**

9. RELATED PARTY TRANSACTIONS

Approximately 26% and 34% of total grants and contribution revenues recorded during 2025 and 2024, respectively, were from individuals and organizations related to Board members. As of December 31, 2025, promises to give of approximately $760,000 were due from Board members, which represents approximately 79% of total promises to give.

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. COMMITMENTS

The Foundation entered into a contract for the construction of a new building. As of December 31, 2025, the Foundation has a remaining commitment of approximately $660,000.

SUPPLEMENTARY INFORMATION

AMERICAN YOUTH FOUNDATION

SCHEDULE OF PROGRAM SERVICE REVENUE AND NET ASSETS RELEASED FOR SCHOLARSHIPS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Camp Programs			Conference Programs	Community and School Programs				
	Miniwanca	Merrowvista	Total	National Leadership Conference	Miniwanca	Merrowvista	Total	Centennial	Grand Total
Program fees									
Regular	$ 2,388,166	$ 1,246,880	$ 3,635,046	$ 229,700	$ 450,419	$ 557,375	$ 1,007,794	$ 109,521	$ 4,982,061
Less									
Financial aid and discounts	(534,826)	(281,786)	(816,612)	(168,048)	(59,153)	(68,012)	(127,165)	(6,275)	(1,118,100)
Net tuition	1,853,340	965,094	2,818,434	61,652	391,266	489,363	880,629	103,246	3,863,961
Other program service fees	44,138	28,127	72,265	30,101	200	-	200	17,575	120,141
Net assets released from restriction for scholarships	381,850	199,661	581,511	154,672	57,773	52,952	110,725	1,525	848,433
Total	**$ 2,279,328**	**$ 1,192,882**	**$ 3,472,210**	**$ 246,425**	**$ 449,239**	**$ 542,315**	**$ 991,554**	**$ 122,346**	**$ 4,832,535**