

HIAS Foundation, Inc.

Audited Financial Statements

December 31, 2025

HIAS Foundation, Inc.
Audited Financial Statements
Year Ended December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
HIAS Foundation, Inc.

Opinion

We have audited the accompanying financial statements of HIAS Foundation, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025, and the changes in net assets and its cash flows for the year 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 ("GAAS"). 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 Organization 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 Organization'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 judgement 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 Organization’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 Organization’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 Summarized Comparative Information

The financial statements of the Organization as of and for the year ended December 31, 2024, were audited by other auditors whose report dated May 12, 2025, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects with the audited financial statements from which it was derived.

RLN US LLP

New York, NY
May 12, 2026

HIAS Foundation, Inc.
Statement of Financial Position
As of December 31, 2025
(With comparative totals as of December 31, 2024)

	December 31,	
	2025	2024
Assets		
Cash and cash equivalents	\$ 874,126	\$ 427,998
Pledges receivable	371,396	521,768
Prepaid expenses	7,100	3,500
Charitable gift annuities	597,734	198,419
Charitable remainder unitrust assets	258,405	-
Beneficial interest in trusts held by others	236,432	108,169
Investments held for endowment	23,849,737	15,175,394
Pledges receivable – restricted towards endowment	221,772	224,182
Total Assets	\$ 26,416,702	\$ 16,659,430
Liabilities and net assets		
Accounts payable and accrued expenses	\$ 156,908	\$ 83,386
Liabilities to annuity beneficiaries	590,187	159,818
Total liabilities	747,095	243,204
Net assets		
Without donor restrictions	11,048,726	7,488,907
With donor restrictions	14,620,881	8,927,319
Total net assets	25,669,607	16,416,226
Total liabilities and net assets	\$ 26,416,702	\$ 16,659,430

The accompanying notes are an integral part of these financial statements

HIAS Foundation, Inc.
Statement of Activities
For the Year Ended December 31, 2025
(With comparative totals for the year ended December 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	Total 12/31/25	Total 12/31/24
Public support and revenue				
Contributions	\$ 3,851,019	\$ 3,794,085	\$ 7,645,104	\$ 11,085,870
In-kind contributions	-	-	-	100,770
Investment return, net	1,116,870	1,904,477	3,021,347	1,483,754
Change in value of split-interest agreement	45,688	-	45,688	(10,616)
Other revenue	20,289	-	20,289	31,384
Net assets released from restrictions	5,000	(5,000)	-	-
Total public support and revenue	5,038,866	5,693,562	10,732,428	12,691,162
Expenses				
Program services	593,482	-	593,482	17,335,972
Supporting services:				
Management and general	338,602	-	338,602	352,070
Fundraising	546,963	-	546,963	474,152
Total supporting services	885,565	-	885,565	826,222
Total expenses	1,479,047	-	1,479,047	18,162,194
 Change in net assets	 3,559,819	 5,693,562	 9,253,381	 (5,471,032)
Net assets - beginning of year	7,488,907	8,927,319	16,416,226	21,887,258
Net assets - end of year	\$ 11,048,726	\$ 14,620,881	\$ 25,669,607	\$16,416,226

The accompanying notes are an integral part of these financial statements

HIAS Foundation, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2025
(With comparative totals for the year ended December 31, 2024)

	Program Services	Supporting Services		Total Supporting Services	Total Expenses 12/31/25	Total Expenses 12/31/24
		Management and General	Fundraising			
Salaries	\$ -	\$ 142,102	\$ 191,471	\$ 333,573	\$ 333,573	\$ 274,174
Payroll taxes and employee benefits	-	46,335	62,432	108,767	108,767	110,911
Grant expense	593,482	-	-	-	593,482	17,334,557
Professional fees	-	105,270	216,158	321,428	321,428	216,408
Insurance	-	10,109	-	10,109	10,109	8,263
Travel and conference	-	-	24,671	24,671	24,671	22,204
Supplies	-	502	675	1,177	1,177	7,018
Postage	-	406	45,526	45,932	45,932	45,681
In-kind services	-	-	-	-	-	100,770
Registration fees	-	18,190	-	18,190	18,190	20,958
Office expenses	-	1,137	86	1,223	1,223	5,653
Other expenses	-	14,551	5,944	20,495	20,495	15,597
Total expenses	\$ 593,482	\$ 338,602	\$ 546,963	\$ 885,565	\$ 1,479,047	\$18,162,194

The accompanying notes are an integral part of these financial statements

HIAS Foundation, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2025
(With comparative totals for the year ended December 31, 2024)

	December 31,	
	2025	2024
Cash flows from operating activities		
Changes in net assets	\$ 9,253,381	\$ (5,471,032)
Adjustments to reconcile change in net assets to net cash provided by/used for operating activities:		
Realized and unrealized gains on investments	(2,506,243)	1,058,570
Donated securities – board designated endowment	(2,104,289)	(8,238,950)
Donated securities – endowment	(3,656,620)	(1,867,289)
Change in value of split-interest agreements	(45,688)	(10,616)
Changes in assets and liabilities		
Pledges receivable	150,372	(496,813)
Charitable gift annuities	(399,315)	(198,419)
Charitable remainder unitrust assets	(258,405)	-
Beneficial interest in trusts held by others	(128,263)	(108,169)
Pledges receivable – restricted towards endowment	2,410	(124,182)
Prepaid expenses	(3,600)	(3,500)
Accounts payable and accrued expenses	73,522	(42,267)
Liability to trust beneficiaries	476,057	159,818
Total adjustments	(8,400,062)	(9,871,817)
Net cash provided by/used for operating activities	853,319	(15,342,849)
Cash flows from investing activities		
Purchase of investments	(665,673)	(2,531,707)
Proceeds from sales of investments	258,482	17,250,000
Net cash used for/provided by investing activities	(407,191)	14,718,293
Net increase/decrease in cash and cash equivalents	446,128	(624,556)
Cash and cash equivalents – beginning of year	427,998	1,052,554
Cash and cash equivalents – end of year	\$ 874,126	\$ 427,998
Supplemental cash flow information		
No interest or taxes were paid.		

The accompanying notes are an integral part of these financial statements

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 1 - Nature of the Organization

HIAS Foundation, Inc. (“the Organization” or “the Foundation”) was formed in the State of New York on October 27, 2021 as a 501(c)(3) public charity to provide support to HIAS, Inc. in carrying out its mission to provide vital services to refugees and asylum seekers around the world and advocate for their fundamental rights so they can rebuild their lives.

The Foundation’s goals are to:

- Steward, conserve and grow a permanent endowment via sound investment for the purpose of supporting HIAS, Inc.
- Leverage the power of gift planning to promote tax efficient vehicles for donors to support the HIAS Foundation, and thus the future of HIAS, Inc. through gifts of assets via various creative charitable mechanisms.
- Engage individuals, both donors and prospects, to consider supporting the HIAS Foundation endowment to have long-lasting permanent impact on HIAS, Inc.’s annual operations.

By building an endowment through planned gifts, the HIAS Foundation furthers HIAS, Inc.’s mission. Every year, income from HIAS Foundation’s endowments will be made available to HIAS, Inc. to help refugees and asylum seekers around the world realize their rights and rebuild their lives in safety and freedom.

The Foundation’s support comes primarily from contributions.

The Foundation has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws. The Foundation has not been designated as a private foundation.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting and Financial Statements Presentation

The financial statements have been prepared on the accrual basis of accounting, which is the process of recording revenue and expenses when earned or incurred rather than received or paid.

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958 - Presentation of Financial Statements of Not-For Profit Entities. FASB ASC 958 requires the Organization to report information regarding its financial position and activities according to two classes of net assets:

- *Net Assets Without Donor Restrictions* - represents all activity without donor-imposed restrictions.
- *Net Assets With Donor Restrictions* - relates to contributions of cash and other assets with donor stipulations that make clear the assets’ restrictions, either due to a program nature, the passage of time, and/or must remain intact, in perpetuity.

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 2 - Summary of Significant Accounting Policies – Continued

b. Revenue Recognition

The Foundation follows the requirements of FASB ASC 958-605 - Revenue Recognition for recording contributions, which are recognized at the time a pledge becomes unconditional in nature. Contributions that do not contain donor restrictions are recorded in the class of net assets without donor restrictions. Contributions that do contain donor restrictions are recorded in the class of net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified in the class of net assets without donor restrictions.

Contributions may be subject to conditions, which are defined as both a barrier to entitlement and a right of return of payments, or release from obligations and are recognized as income once the conditions have been substantially met.

Unconditional promises to give are recorded at net realizable value if expected to be received in less than one year, or at fair value using a risk-adjusted discount rate if expected to be received in greater than one year.

The Organization assesses whether there are any potential uncollectible accounts based on its historical loss experience and considering the age of the receivables. At December 31, 2025 and 2024, there was no established allowance.

c. Cash and Cash Equivalents

The Organization considers cash held in banks and money market funds to be cash and cash equivalents which can be converted to cash within three months, except for cash held in the Organization's investment portfolio.

d. Concentration of Credit Risk

Financial instruments, which potentially subject the Foundation to a concentration of credit risk consist of cash accounts, which are placed with financial institutions that management deems to be creditworthy. Investments are subject to market value fluctuations and principal is not guaranteed.

The Organization maintains its cash balances in financial institutions which are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At times, balances may exceed federally insured limits. While at year end the Organization had uninsured balances, management feels they have little risk and have not experienced any losses due to bank failure.

e. Investments and Fair Market Value

Investments are recorded at fair value, which refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses, net of investment fees, are recognized on the statement of activities.

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 2 - Summary of Significant Accounting Policies – Continued

e. Investments and Fair Market Value (continued)

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active or for which significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments at December 31, 2025 were all in Level 1 securities valued at the closing price reported on the active market they are traded on. Investments at December 31, 2024 were in Level 1 securities valued at the closing price reported on the active market they are traded on, and Level 2 securities consisting of fixed income securities which are valued using the values of securities with similar risk parameters. These methods produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

f. Donated services

The Organization records contributed services that create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and typically would have been purchased if they had not been donated. During 2025, no such services were provided to the Organization. During 2024, HIAS, Inc. provided certain management support services to the Organization without charge. In-kind services totaling \$100,770 have been recognized and included in the statement of activities for 2024 and is based on the estimated time spent by HIAS, Inc. employees.

g. Management Estimates

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

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 2 - Summary of Significant Accounting Policies – Continued

h. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Salaries, payroll taxes and benefits have been allocated using time and effort as the basis. All other expenses have been charged directly to the applicable program or supporting services.

i. Charitable Gift Annuities and Liabilities to Annuity Beneficiaries

Charitable gift annuities are recognized as contributions in the year in which the assets are irrevocably gifted to the Foundation. The related liabilities to annuity beneficiaries are recognized based on the present value of the amounts the Foundation expects to pay to annuity beneficiaries, using rates determined based on the life expectancy of the annuitant.

j. Beneficial Interest in Trusts Held by Others

Charitable gift annuities administered by third-party organizations are recognized as contribution income in the year in which the gift annuity contract is executed. The beneficial interest is reported in the statement of financial position at the net residual amount, representing the market value of the underlying assets less the estimated liability to annuitants, taking into account the annuitants' life expectancy.

k. Charitable remainder unitrust assets

Charitable remainder unitrust assets are recognized as contributions in the year the trust agreement is irrevocably executed. The Foundation, serving as trustee, recognizes trust assets at fair value with a corresponding liability measured at the present value of estimated future payments to the income beneficiary, using the Applicable Federal Rate (AFR) and the life expectancy of the beneficiary. The difference between the fair value of assets received and the liability is recognized as contribution revenue.

l. Accounting for Uncertainty of Income Taxes

The Organization does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending December 31, 2022 (initial filing) and later are subject to examination by applicable taxing authorities.

m. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2024, from which the summarized information was derived.

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 3 - Investments and Fair Value Measurement

The following summarizes the composition of investments at December 31, 2025 and 2024:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 321,516	\$ -	\$ -	\$ 321,516
Mutual fund equities:				
U.S. equity	16,510,039	-	-	16,510,039
Other	7,018,182	-	-	7,018,182
Total	\$ 23,849,737	\$ -	\$ -	\$ 23,849,737
	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 13,698,642	\$ -	\$ -	\$ 13,698,642
Mutual fund equities:				
U.S. equity	203,308	998,122	-	1,201,430
Other	275,322	-	-	275,322
Total	\$ 14,177,272	\$ 998,122	\$ -	\$ 15,175,394

The following summarizes the net investment return:

	December 31,	
	2025	2024
Realized and unrealized gains	\$ 2,506,243	\$ 1,058,570
Interest and dividends	600,254	481,786
Investment fees	(85,150)	(56,602)
Net investment returns	\$ 3,021,347	\$ 1,483,754

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 4 - Charitable Gift Annuities and Liabilities to Annuity Beneficiaries

During the years ended December 31, 2025 and 2024, the Organization was designated as the beneficiary of irrevocable charitable gift annuities, the assets of which were transferred to the Foundation and recognized as a contribution in the respective year. Under the terms of the annuity agreements, the Organization has irrevocable rights to receive the value of the assets upon expiration of the donor. For charitable gift annuities, assets received are carried at fair value.

Under the terms of the gift annuity agreements, the Foundation will make quarterly annuity payments totaling \$42,442 annually to the donors as long as they are living. The related liability for these annuity payments is recognized equal to the present value of amounts the Foundation expects to pay to annuity beneficiaries at the rate of 4.4% to 10.1%. Changes in the calculated liability due to increases or decreases in the actuarially determined life expectancy of the annuity beneficiaries will be reflected as change in value of split-interest agreements in the statement of activities and statement of cash flows.

During the year ended December 31, 2025, the Foundation entered into 10 new charitable gift annuity agreements totaling \$378,000. As of December 31, 2025, the Foundation has a total of 12 charitable gift annuity agreements with a combined gift amount of \$580,603. The total liability to annuity beneficiaries as of December 31, 2025 is \$414,670, calculated based on the 2012 IAR mortality table.

Annuity payments for the year ended December 31, 2025, were prorated based on the date of the gifts and totaled \$26,255.

Note 5 - Charitable Remainder Unitrust Assets

During the year ended December 31, 2025, the Foundation entered into two charitable remainder unitrust agreements, under which the Foundation serves as trustee and irrevocable remainder beneficiary. Trust assets are recognized as a contribution upon irrevocable execution of the agreement and carried at fair value. As of December 31, 2025, the fair value of the charitable remainder unitrust assets is \$258,405.

The Foundation is obligated to distribute a fixed percentage of the trust's net fair market value annually to the income beneficiaries for the duration of their lifetimes, at payout rates of 5.0% and 7.0% respectively. The related liability of \$175,517 is measured at the present value of estimated future payments using the Applicable Federal Rate (AFR) in effect at the time each agreement was executed and the 2012 IAR mortality table. Changes in the value of trust assets and in the calculated liability are reflected as change in value of split-interest agreements in the statement of activities and statement of cash flows.

The total liability to beneficiaries of \$590,187 on the statement of financial position includes \$414,670 related to charitable gift annuities (Note 4) and \$175,517 related to the charitable remainder unitrusts.

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 6 - Beneficial Interest in Trusts Held by Others

During the years ended December 31, 2025, and 2024, the Organization was designated as the beneficiary of charitable gift annuities administered by the National Gift Annuity Foundation (NGAF), the assets of which are not in the possession of the Foundation. The Foundation's beneficial interest is recognized as an asset and contribution in the year the gift annuity contract is executed, determined based on the annuitants' life expectancy using mortality table IAR 2012 and the Applicable Federal Rate (AFR) in effect at the time of the gifts.

During the year ended December 31, 2025, 8 new agreements were added. As of December 31, 2025, the Foundation has 13 total NGAF agreements with a net beneficial interest of \$236,432.

Changes in the calculated asset value due to changes in the fair value of the underlying assets are accounted for as change in value of split-interest agreements in the statement of activities.

Note 7 - Net assets with Donor Restrictions

The following summarizes the activity of net assets with donor restrictions during fiscal year 2025:

	<u>1/1/2025</u>	<u>Additions</u>	<u>Releases</u>	<u>12/31/2025</u>
Donor restricted - programs				
Economic Advancement Fund	\$ 20,000	\$ -	\$ (5,000)	\$ 15,000
Other	822	1,000	-	1,822
	<u>20,822</u>	<u>1,000</u>	<u>(5,000)</u>	<u>16,822</u>
Donor restricted - endowments				
Endowment corpus	8,722,246	3,793,085	-	12,515,331
Endowment earnings	<u>184,251</u>	<u>1,904,477</u>	<u>-</u>	<u>2,088,728</u>
Total donor restricted endowments	<u>8,906,497</u>	<u>5,697,562</u>	<u>-</u>	<u>14,604,059</u>
Total net assets with donor restrictions	<u>\$ 8,927,319</u>	<u>\$ 5,698,562</u>	<u>\$ (5,000)</u>	<u>\$ 14,620,881</u>

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 8 - Endowment Funds

The Organization's endowment includes a board designated endowment as well as separate donor restricted funds to be held in perpetuity.

Interpretation of Relevant Law

The Organization follows New York Prudent Management of Institutional Funds Act ("NYPMIFA"), which the Board of Directors has interpreted as requiring certain amounts to be retained permanently. Absent explicit donor stipulations to the contrary, the fair value of the original gift will be preserved as of the gift date of all donor restricted endowment funds. However, under certain circumstances, the fair value of the original gift can be appropriated in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, the Organization classified as endowment: (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

When endowment earnings have earnings in excess of amounts that need to be retained as part of the corpus, their earnings are restricted until the Board appropriates for expenditure. Therefore, they have been classified in the class of net assets with donor restrictions.

Endowment Investment Policies

The Organization has adopted investment and spending policies for endowment assets that attempt to provide sufficient income to meet various program and operational expenses, and to extend the pursuit of the Organization's mission in perpetuity. A total return strategy is used, and investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A diversified asset allocation strategy is used that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2025 or 2024.

Spending Policies

In accordance with NYPMIFA, the Organization 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 purposes of the Organization and the donor restricted endowment fund.
- 3) General economic conditions.
- 4) The possible effect of inflation and deflation.
- 5) The expected total return from income and the appreciation of investments.

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 8 - Endowment Funds – Continued

Spending Policies (continued)

- 6) Other resources available.
- 7) The investment policies.
- 8) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization.

Changes in endowment net assets for the year ended December 31, 2025 and 2024 are as follows:

	Without Donor Restrictions Board Designated	With Donor Restrictions Endowment Corpus	Endowment Earnings	Total With Donor Restrictions	Total
Endowment net assets beginning of year	\$ 6,486,444	\$ 8,504,699	\$ 184,251	\$ 8,688,950	\$15,175,394
Prior year pledges receivable added to endowment portfolio	-	150,569	-	150,569	150,569
Contributions	2,104,289	3,656,620	-	3,656,620	5,760,909
Board appropriations	(258,482)	-	-	-	(258,482)
Net investment return	1,116,870	-	1,904,477	1,904,477	3,021,347
Endowment net assets, end of year	<u>\$ 9,449,121</u>	<u>\$12,311,888</u>	<u>\$ 2,088,728</u>	<u>\$14,400,616</u>	<u>\$23,849,737</u>

	Without Donor Restrictions Board Designated	With Donor Restrictions Endowment Corpus	Endowment Earnings	Total With Donor Restrictions	Total
Endowment net assets beginning of year	\$ 20,335,402	\$ 500,000	-	\$ 500,000	\$ 20,835,402
Prior year pledges receivable added to endowment portfolio	-	100,000	-	100,000	100,000
Contributions	2,051,540	7,954,699	-	7,954,699	10,006,239
Board appropriations	(17,200,000)	(50,000)	-	(50,000)	(17,250,000)
Net investment return	1,299,502	-	184,251	184,251	1,483,753
Endowment net assets, end of year	<u>\$ 6,486,444</u>	<u>\$ 8,504,699</u>	<u>\$ 184,251</u>	<u>\$ 8,688,950</u>	<u>\$ 15,175,394</u>

At December 31, 2025 and 2024, donor restricted endowment net assets consisted of the following:

Investments	\$ 14,400,616	\$ 8,688,950
Pledges receivable	221,772	224,182
Accrued investment fees	(18,329)	(6,635)
	<u>\$ 14,604,059</u>	<u>\$ 8,906,497</u>

HIAS Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2025

Note 9 - Liquidity and Availability of Financial Resources

The following reflects the Organization's financial assets at December 31, 2025 that are available to meet cash needs for general expenditures within one year:

Financial Assets at year-end:		
Cash and cash equivalents		\$ 874,126
Pledges receivable		<u>371,396</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 1,245,522</u>

The Organization maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for ongoing operations. As part of its liquidity management, the Organization operates its programs within a board approved budget.

Note 10 - Subsequent Events

Subsequent events have been evaluated through May 12, 2026, the date the financial statements were available to be issued. No adjustments and disclosures were necessary.