

**KENNY GUINN CENTER FOR
POLICY PRIORITIES**

Financial Statements

December 31, 2025 and 2024



SchettlerMacy
& Associates LLC

CERTIFIED PUBLIC ACCOUNTANTS

KENNY GUINN CENTER FOR POLICY PRIORITIES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Kenny Kenny Guinn Center for Policy Priorities

Opinion

We have audited the accompanying financial statements of the Kenny Kenny Guinn Center for Policy Priorities (a nonprofit organization), 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 accompanying financial statements present fairly, in all material respects, the financial position of the Kenny Kenny Guinn Center for Policy Priorities 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Kenny Kenny Guinn Center for Policy Priorities and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Kenny Kenny Guinn Center for Policy Priorities' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kenny Kenny Guinn Center for Policy Priorities' 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 Kenny Kenny Guinn Center for Policy Priorities' 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 audits.

Schettler Mary & Associates, LLC

Reno, Nevada
June 16, 2026

KENNY GUINN CENTER FOR POLICY PRIORITIES

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 480,570	\$ 506,431
Investments	400,223	175,000
Contributions and grants receivable	37,642	121,761
Prepaid expenses	20,419	21,127
Total current assets	938,854	824,319
PROPERTY AND EQUIPMENT, net	-	-
BENEFICIAL INTEREST IN ENDOWMENT FUND	304,991	267,687
	<u>\$ 1,243,845</u>	<u>\$ 1,092,006</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 1,589	\$ 16,646
LONG-TERM LIABILITIES		
Compensated absences	12,052	8,131
Total liabilities	13,641	24,777
NET ASSETS		
Net assets without restrictions	93,234	349,620
Net assets with restrictions	1,136,970	717,609
Total net assets	1,230,204	1,067,229
	<u>\$ 1,243,845</u>	<u>\$ 1,092,006</u>

See accompanying notes.

KENNY GUINN CENTER FOR POLICY PRIORITIES

STATEMENTS OF ACTIVITIES YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			2024		
	Without Restrictions	With Restrictions	Total	Without Restrictions	With Restrictions	Total
SUPPORT AND REVENUE						
Contributions and grants	\$ 370,031	\$ 651,616	\$ 1,021,647	\$ 402,392	\$ 278,000	\$ 680,392
Program fees	174,434	-	174,434	505,341	-	505,341
In-kind	111,021	-	111,021	46,251	-	46,251
Investment income, net	10,450	40,143	50,593	31,019	-	31,019
Net assets released from restrictions	272,398	(272,398)	-	136,226	(136,226)	-
	<u>938,334</u>	<u>419,361</u>	<u>1,357,695</u>	<u>\$ 1,121,229</u>	<u>\$ 141,774</u>	<u>1,263,003</u>
EXPENSES						
Program services	1,039,211	-	1,039,211	1,139,613	-	1,139,613
Supporting services						
General and administrative	110,582	-	110,582	130,578	-	130,578
Fundraising	44,927	-	44,927	35,587	-	35,587
	<u>1,194,720</u>	<u>-</u>	<u>1,194,720</u>	<u>1,305,778</u>	<u>-</u>	<u>1,305,778</u>
CHANGE IN NET ASSETS	(256,386)	419,361	162,975	(184,549)	141,774	(42,775)
BEGINNING OF YEAR	<u>349,620</u>	<u>717,609</u>	<u>1,067,229</u>	<u>534,169</u>	<u>575,835</u>	<u>1,110,004</u>
END OF YEAR	<u>\$ 93,234</u>	<u>\$ 1,136,970</u>	<u>\$ 1,230,204</u>	<u>\$ 349,620</u>	<u>\$ 717,609</u>	<u>\$ 1,067,229</u>

See accompanying notes.

KENNY GUINN CENTER FOR POLICY PRIORITIES

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2025

		Supporting Services		
	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 723,986	\$ 80,443	\$ -	\$ 804,429
Payroll taxes and employee benefits	81,782	9,087	-	90,869
Total salaries and related expenses	805,768	89,530	-	895,298
Advertising	20,426	2,270	-	22,696
Conferences, conventions and meetings	70,647	2,964	44,927	118,538
Dues and Subscriptions	5,452	606	-	6,058
Fees and other	3,438	382	-	3,820
Insurance	25,884	2,876	-	28,760
Occupancy	20,645	2,294	-	22,939
Office	20,166	2,239	-	22,405
Professional development	9,473	1,053	-	10,526
Professional fees	29,164	3,240	-	32,404
Supplies	14,982	1,665	-	16,647
Travel	13,166	1,463	-	14,629
Total expenses	\$ 1,039,211	\$ 110,582	\$ 44,927	\$ 1,194,720

See accompanying notes.

KENNY GUINN CENTER FOR POLICY PRIORITIES

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2024

		Supporting Services		
	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 662,882	\$ 73,654	\$ -	\$ 736,536
Payroll taxes and employee benefits	98,256	10,917	-	109,173
Total salaries and related expenses	761,138	84,571	-	845,709
Advertising	11,286	1,254	-	12,540
Conferences, conventions and meetings	4,443	4,239	33,703	42,385
Contract services	227,014	25,224	-	252,238
Dues and Subscriptions	1,214	135	-	1,349
Fees and other	4,470	500	30	5,000
Insurance	1,502	167	-	1,669
Occupancy	25,550	2,839	-	28,389
Office	21,306	2,367	-	23,673
Professional development	3,702	411	-	4,113
Professional fees	48,723	5,414	-	54,137
Supplies	10,650	1,183	-	11,833
Travel	18,615	2,274	1,854	22,743
Total expenses	\$ 1,139,613	\$ 130,578	\$ 35,587	\$ 1,305,778

See accompanying notes.

KENNY GUINN CENTER FOR POLICY PRIORITIES

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 162,975	\$ (42,775)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Contribution of securities	(15,997)	-
Net (gains) losses on investments	(9,226)	(8,325)
Changes in:		
Contributions and grants receivable	84,119	(65,271)
Prepaid expenses	708	59,527
Accounts payable and accrued expenses	(15,057)	1,911
Compensated absences	3,921	(17,395)
Net cash provided (used) by operating activities	211,443	(72,328)
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in beneficial interest in endowment fund	(37,304)	(17,769)
Purchase of investments	(200,000)	(175,000)
Proceeds from sale of investments	-	37,369
Net cash (used) purchased by investing activities	(237,304)	(155,400)
NET CHANGE IN CASH	(25,861)	(227,728)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	506,431	734,159
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 480,570	\$ 506,431
SUPPLEMENTAL CASH FLOW INFORMATION		
Non-cash investing and financing activities:		
Contribution of securities	\$ 15,997	\$ -

See accompanying notes.

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Kenny Guinn Center for Policy Priorities, Inc. (the Organization) was formed in April 2013 as a Nevada non-profit corporation. The Organization is a nonpartisan, research and policy analysis center focused on independent, fact-based, relevant, and well-reasoned analysis of critical policy issues facing the state of Nevada. The Organization engages policy-makers, experts, and the public with innovative, fact-based research, ideas, and analysis to advance policy solutions, inform the public debate, and expand public engagement.

The Organization's primary source of revenue comes from individual/corporate contributions and government/private foundation grants.

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

Basis of Accounting

The financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Concentration of Credit Risk

The Organization maintains cash and cash equivalent balances in financial institutions which may, at times, exceed federally insured limits. The Organization has not experienced any losses in these accounts and does not believe it is exposed to any significant custodial credit risk related to these accounts. Cash balances in banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. As of December 31, 2025 and December 31, 2024, the Organization's cash balances exceeded these limits by \$36,759 and \$127,370, respectively.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Contributions and Grants Receivable

Receivables include contributions and grants which have not been received by year end. Management considers all accounts fully collectible and, accordingly, no allowance for credit losses is provided.

Prepaid Expenses

Prepaid expenses consist of advanced payroll costs paid in accordance with the operating agreement with the University of Nevada, Reno (See Note 7).

Property and Equipment

Property and equipment are recorded at cost. Donated assets are valued at fair value at the date of donation. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. The estimated useful lives range from three to seven years for furniture, fixtures and equipment. The Organization's policy is to capitalize assets with a cost greater than \$1,000.

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

Beneficial Interest in Endowment Fund

Beneficial interest in endowment fund consists of amounts held and invested by the Community Foundation of Northern Nevada (CFNN). The Organization has the right to receive the income earned from the fund assets. The income distributed to the Organization shall be used to support general operations and salaries. The Organization may also access up to 10% of the principle of the fund with unanimous approval from the board of directors, however, any accessing of the principle of the fund must be returned before annual distributions may continue. This fund contains donations approved and directed by the board of directors to be made to the CFNN from net assets with donor restrictions. The beneficial interest is reported at the fair market value of the fund as determined by the CFNN. Investment income of the fund, net of expenses, and any net realized and unrealized gains and losses, are included in investment income, net, in the statement of activities and changes in net assets.

Compensated Absences

Compensated absences represent the Organization's liability for the value of paid leave earned but not used by employees as of December 31, 2025 and 2024 as determined in accordance with the Organization's personnel policy.

Revenue and Revenue Recognition

The Organization recognizes revenue from exchange transactions, primarily events and membership fees when the earnings process is complete, and goods have been delivered or services performed. The performance obligation of delivering services is simultaneously received and consumed by event attendees; therefore, the revenue is recognized when the corresponding event takes place. All amounts received prior to the event, are deferred to the applicable period.

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

A portion of the Organization's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as a refundable advance in the statement of financial position.

As of December 31, 2025 and 2024, no amounts were received prior to incurring qualifying expenditures and therefore no amounts were recognized in the statement of financial position as a refundable advance.

In-kind Contributions

Contributions of noncash (in-kind) assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2025 and 2024 was \$22,696 and \$12,540, respectively.

Income Taxes

The Organization is a non-profit organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes is included in the accompanying financial statements. For federal income tax purposes, the Organization's tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

Functional Expense Allocations

Expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. Expenses which apply to more than one functional category have been allocated based on estimates made by management. The organization's functional expense allocations are based upon time and effort.

Management's Review

Management has evaluated subsequent events through June 16, 2026, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2025	2024
Cash and cash equivalents	\$ 480,570	\$ 506,431
Investments	400,223	175,000
Contributions and grants receivable	37,642	121,761
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 918,435</u>	<u>\$ 803,192</u>

The Organization has a policy to manage its liquidity by operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be met. As part of the Organization's liquidity management plan, it invests cash in excess of short-term requirements in CD's, and money market accounts.

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

NOTE 3 – INVESTMENTS AND FAIR VALUE

Fair value is identified as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and is measured according to a hierarchy that includes: “Level 1” inputs, such as quoted prices in an active market for identical assets or liabilities; “Level 2” inputs, which are observable inputs for similar assets; or “Level 3” inputs, which are unobservable inputs.

Fair value of assets measured on a recurring basis as of December 31, is as follows:

2025

Investments:	Level 1	Level 2	Level 3	Total
Certificates of desposit	\$ -	\$ 385,107	\$ -	\$ 385,107
Corporate Stocks	15,116	-	-	15,116
Total investments	15,116	385,107	-	400,223
Beneficial interest in endowment fund	-	-	304,991	304,991
	<u>\$ 15,116</u>	<u>\$ 385,107</u>	<u>\$ 304,991</u>	<u>\$ 705,214</u>

2024

Investments:	Level 1	Level 2	Level 3	Total
Certificates of desposit	\$ -	\$ 175,000	\$ -	\$ 175,000
Total investments	-	175,000	-	175,000
Beneficial interest in endowment fund	-	-	267,687	267,687
	<u>\$ -</u>	<u>\$ 175,000</u>	<u>\$ 267,687</u>	<u>\$ 442,687</u>

Beneficial Interest in Endowment Fund

The fair value of the beneficial interest in an endowment fund at the CFNN is measured at fair value on a recurring basis based on statements received from the CFNN that are measured and reported using significant unobservable inputs.

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

A reconciliation of changes in Level 3 for the Beneficial Interest in Endowment Fund inputs is as follows:

	2025	2024
Balance, beginning of year	\$ 267,687	\$ 249,918
Investment income, net	40,143	20,384
Administrative fees	(2,839)	(2,615)
Balance, end of year	<u>\$ 304,991</u>	<u>\$ 267,687</u>

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2025 and 2024:

	2025	2024
Furniture and equipment	\$ 7,329	\$ 7,329
Less: accumulated depreciation	(7,329)	(7,329)
	<u>\$ -</u>	<u>\$ -</u>

NOTE 5 – IN-KIND CONTRIBUTIONS

For the years ended December 31, 2025 and 2024, contributions of nonfinancial assets recognized within the statement of activities included the following:

	2025	2024	Utilization in Programs/Activities
Occupancy	\$ 22,000	\$ 22,000	Programs and Supporting Services
Meals and travel	725	-	Programs and Supporting Services
Venue rental	70,430	12,000	Programs and Supporting Services
Computer services	5,400	5,400	Programs and Supporting Services
Professional services	12,466	6,851	Programs and Supporting Services
	<u>\$ 111,021</u>	<u>\$ 46,251</u>	

KENNY GUINN CENTER FOR POLICY PRIORITIES

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

Occupancy, meals, travel, and computer services were valued using estimated average U.S. prices for identical or similar products or services using pricing data of similar products or services under a 'like-kind' methodology, considering the condition of the goods and services at the time of contribution.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purpose or periods at December 31:

	2025	2024
Restricted in perpetuity - endowment	\$ 304,991	\$ 249,918
Subject to expenditure for specified purpose:		
Education policy	73,186	110,156
Health and social policy	257,038	240,161
Nevada briefing book	131,054	87,234
Ranked Choice	3,999	3,999
Democracy defense project	1,314	1,314
Native American fee waiver	-	24,827
Development	225,000	-
EV Taxation	84,105	-
Federal Fund	14,266	-
Housing affordability	13,256	-
Pack internship program	1,920	-
Student based behavioral health	26,841	-
	<u>\$ 1,136,970</u>	<u>\$ 717,609</u>

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NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2025 AND 2024

NOTE 7 – OPERATING AGREEMENT

On July 1, 2024, the Organization entered into an operating agreement with the University of Nevada, Reno (the University) whereby the employees of the Organization will become employees of the University, on a contractual basis. The Organization will reimburse the University for all salary and fringe benefits of such personnel. The University and the Organization remain independent legal entities with independent governing boards. The agreement will terminate on June 30, 2027, unless both parties reach a decision to renew prior to this date.