



CARING FOR MILIARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

December 31, 2024 and 2023

CARING FOR MILIARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Caring for Military Families: The Elizabeth Dole Foundation
Washington, DC

Opinion

We have audited the accompanying financial statements of Caring for Military Families: The Elizabeth Dole Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audits 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 Audits of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 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 Audits 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 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

HAN GROUP LLC

HAN GROUP LLC

Washington, DC

September 16, 2025

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Statements of Financial Position

December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 3,889,960	\$ 3,964,064
Contributions and grants receivable	2,636,000	3,204,787
Prepaid expenses	44,881	47,048
Other receivables	35,372	-
Total current assets	6,606,213	7,215,899
Property and Equipment, Net	476,575	129,685
Other Assets		
Contributions and grants receivable, net	1,210,936	1,884,061
Investments	2,727,390	2,132,062
Deposits	87,322	57,114
Right-of-use asset – operating office lease, net	3,199,836	512,118
Other assets	23,875	244,942
Total other assets	7,249,359	4,830,297
Total assets	<u>\$ 14,332,147</u>	<u>\$ 12,175,881</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 238,235	\$ 300,313
Accrued expenses	168,355	494,423
Grants payable	75,000	150,000
Lease liability – operating office lease	251,569	482,914
Total current liabilities	733,159	1,427,650
Noncurrent Liabilities		
Lease liability – operating office lease, net of current portion	3,305,305	77,816
Total liabilities	4,038,464	1,505,466
Net Assets		
Without donor restrictions	1,994,660	960,904
With donor restrictions	8,299,023	9,709,511
Total net assets	10,293,683	10,670,415
Total liabilities and net assets	<u>\$ 14,332,147</u>	<u>\$ 12,175,881</u>

See accompanying notes.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Statement of Activities

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, Gains, and Losses			
Contributions and grants	\$ 4,353,209	\$ 4,834,631	\$ 9,187,840
Contributions of nonfinancial assets	343,230	-	343,230
Net investment return	176,532	37,760	214,292
Other income	12,500	-	12,500
Losses from uncollected receivables	(50,000)	-	(50,000)
Net assets released from restrictions	6,282,879	(6,282,879)	-
Total revenue, support, gains, and losses	11,118,350	(1,410,488)	9,707,862
Expenses			
Program services	8,084,708	-	8,084,708
Supporting services:			
General and administrative	1,131,356	-	1,131,356
Fundraising	868,530	-	868,530
Total supporting services	1,999,886	-	1,999,886
Total expenses	10,084,594	-	10,084,594
Change in Net Assets	1,033,756	(1,410,488)	(376,732)
Net Assets , beginning of year	960,904	9,709,511	10,670,415
Net Assets , end of year	\$ 1,994,660	\$ 8,299,023	\$ 10,293,683

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Statement of Activities

Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, Gains, and Losses			
Contributions and grants	\$ 2,863,211	\$ 7,236,029	\$ 10,099,240
Contributions of nonfinancial assets	148,284	354,200	502,484
Net investment return	195,850	-	195,850
Losses from uncollected receivables	(10,000)	-	(10,000)
Net assets released from restrictions	5,755,922	(5,755,922)	-
Total revenue, support, gains, and losses	8,953,267	1,834,307	10,787,574
Expenses			
Program services	7,453,998	-	7,453,998
Supporting services:			
General and administrative	1,255,609	-	1,255,609
Fundraising	653,375	-	653,375
Total supporting services	1,908,984	-	1,908,984
Total expenses	9,362,982	-	9,362,982
Change in Net Assets	(409,715)	1,834,307	1,424,592
Net Assets , beginning of year	1,370,619	7,875,204	9,245,823
Net Assets , end of year	\$ 960,904	\$ 9,709,511	\$ 10,670,415

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Statement of Functional Expenses

Year Ended December 31, 2024

	Program Services					Supporting Services				
	Outreach and Awareness	Community Engagement and Peer Support	Systemic Support	Direct Support	Research and Innovation	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries, benefits, and taxes	\$ 1,518,595	\$ 669,528	\$ 410,741	\$ 263,871	\$ -	\$ 2,862,735	\$ 282,671	\$ 392,622	\$ 675,293	\$ 3,538,028
Consulting	577,717	3,684	404,445	48,425	351,989	1,386,260	163,769	264,833	428,602	1814,862
Meetings and conferences	870,383	71,619	83,929	4,302	-	1,030,233	8,353	4,878	13,231	1,043,464
Travel	425,337	157,672	41,444	23,734	199	648,386	38,040	26,430	64,470	712,856
Professional fees	117,164	49,541	30,555	19,419	-	216,679	309,674	29,486	339,160	555,839
Occupancy	200,660	88,349	54,490	34,631	-	378,130	161,450	51,875	213,325	591,455
Grants	37,000	18,147	-	403,946	-	459,093	-	-	-	459,093
Communication	294,599	21,418	28,150	7,298	-	351,465	7,760	13,679	21,439	372,904
Content creation	141,266	-	31,620	-	-	172,886	-	-	-	172,886
Dues and subscriptions	32,314	134	45,450	5,209	-	83,107	71,879	7,686	79,565	162,672
Supplies	36,543	40,641	7,891	12,605	-	97,680	31,848	2,627	34,475	132,155
Printing	80,266	4,780	3,360	3,476	-	91,882	3,869	13,129	16,998	108,880
Advertising	79,096	-	-	-	-	79,096	528	26,089	26,617	105,713
Gifts	5,842	91,301	480	25	-	97,648	2,277	150	2,427	100,075
Depreciation and amortization	29,519	12,997	8,016	5,095	-	55,627	5,416	7,631	13,047	68,674
Internet and websites	41,665	7,508	441	-	-	49,614	15,637	-	15,637	65,251
Postage	3,468	7,195	1,019	243	18	11,943	575	9,303	9,878	21,821
Payroll processing fees	-	-	-	-	-	-	19,996	-	19,996	19,996
Online donation fees	-	-	-	-	-	-	2	18,112	18,114	18,114
Seminars and training	-	-	10,575	1,613	-	12,188	3,269	-	3,269	15,457
Computer supplies	56	-	-	-	-	56	4,214	-	4,214	4,270
Bank fees	-	-	-	-	-	-	129	-	129	129
Total Expenses	\$ 4,491,490	\$ 1,244,514	\$ 1,162,606	\$ 833,892	\$ 352,206	\$ 8,084,708	\$ 1,131,356	\$ 868,530	\$ 1,999,886	\$ 10,084,594

See accompanying notes.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Statement of Functional Expenses

Year Ended December 31, 2023

	Program Services					Supporting Services				
	Outreach and Awareness	Direct Support	Research and Innovation	Systemic Support	Community Engagement and Peer Support	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries, benefits, and taxes	\$ 1,265,080	\$ 380,795	\$ 9,329	\$ 296,659	\$ 526,527	\$ 2,478,390	\$ 209,837	\$ 267,176	\$ 477,013	\$ 2,955,403
Consulting	266,704	331,401	844,775	290,324	12,845	1,746,049	210,937	263,596	474,533	2,220,582
Meetings and conferences	835,806	742	-	116,673	63,161	1,016,382	18,281	268	18,549	1,034,931
Grants	-	617,041	-	-	42,642	659,683	365	-	365	660,048
Travel	263,708	3,771	-	8,986	42,875	319,340	149,772	719	150,491	469,831
Occupancy	169,123	9,600	15,773	46,005	64,406	304,907	108,436	32,860	141,296	446,203
Professional fees	3,765	-	-	-	-	3,765	323,263	-	323,263	327,028
Communication	196,906	12	-	-	1,025	197,943	89,284	7,663	96,947	294,890
Content creation	148,459	-	-	20,619	2,530	171,608	-	-	-	171,608
Advertising	112,346	6,671	-	-	-	119,017	-	32,825	32,825	151,842
Dues and subscriptions	67,275	2,918	-	21,884	2,414	94,491	49,675	2,617	52,292	146,783
Supplies	44,755	2,628	-	480	24,252	72,115	15,711	7,539	23,250	95,365
Internet and websites	73,492	-	-	-	1,519	75,011	7,023	-	7,023	82,034
Gifts	8,966	22,194	-	1,064	48,414	80,638	-	-	-	80,638
Printing	34,815	2,022	-	6,690	2,990	46,517	1,637	8,158	9,795	56,312
Seminars and training	499	2,246	-	38,775	1,026	42,546	2,415	-	2,415	44,961
Depreciation and amortization	-	-	-	-	-	-	39,920	-	39,920	39,920
Postage	6,156	1,173	-	455	7,520	15,304	52	9,841	9,893	25,197
Online donation fees	1,786	613	-	-	-	2,399	-	20,113	20,113	22,512
Payroll processing fees	-	-	-	-	-	-	18,776	-	18,776	18,776
Computer supplies	2,696	93	-	-	104	2,893	7,516	-	7,516	10,409
Special events	5,000	-	-	-	-	5,000	1,989	-	1,989	6,989
Bank fees	-	-	-	-	-	-	720	-	720	720
Total Expenses	\$ 3,507,337	\$ 1,383,920	\$ 869,877	\$ 848,614	\$ 844,250	\$ 7,453,998	\$ 1,255,609	\$ 653,375	\$ 1,908,984	\$ 9,362,982

See accompanying notes.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Statements of Cash Flows

Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating activities		
Change in net assets	\$ (376,732)	\$ 1,424,592
Adjustments to reconcile change in net assets to net cash and provided by operating activities:		
Non-cash activities:		
Depreciation and amortization	68,674	39,920
Bad debt	50,000	10,000
Non-cash contributions received	(264,976)	(21,074)
Realized and unrealized loss on investments	(127,149)	(162,466)
Change in discounts of contributions receivable	(76,875)	(52,727)
Decrease (increase) in assets:		
Contributions and grants receivable, net	1,268,787	(549,287)
Other receivables	(35,372)	-
Prepaid expenses	2,167	(16,478)
Prepaid contractual services	-	520,021
Deposits	(30,208)	-
Other assets	221,067	(244,942)
Increase (decrease) in liabilities:		
Accounts payable	(62,078)	(149,619)
Accrued expenses	(326,068)	146,262
Grants payable	(75,000)	75,000
Net change on right of use assets and liabilities	308,426	(29,449)
Net cash provided by operating activities	544,663	989,753
Cash Flow from Investing Activities		
Proceeds from sale of investments	1,659,035	1,196,473
Purchases of investments	(1,862,238)	(1,951,853)
Purchases of property and equipment	(415,564)	(54,780)
Net cash used in investing activities	(618,767)	(810,160)
Net (Decrease) Increase in Cash and Cash Equivalents	(74,104)	179,593
Cash and Cash Equivalents, beginning of year	3,964,064	3,784,471
Cash and Cash Equivalents, end of year	\$ 3,889,960	\$ 3,964,064
Noncash Investing Activities:		
Establishment of right of use operating lease asset	\$ 3,126,259	\$ -
Establishment of right of use operating lease liability	\$ 3,475,929	\$ -

See accompanying notes.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

1. Nature of Organization and Programs

Caring for Military Families: The Elizabeth Dole Foundation (the Foundation) was formed on February 23, 2012, as a nonprofit organization incorporated in Virginia. The purpose of the Foundation is to uplift American military caregivers by strengthening the services afforded to them through innovation, evidence-based research, and collaboration. The Foundation provides the following programs:

Outreach and Awareness

The Foundation's Outreach and Awareness initiatives help bring the stories, service, and sacrifice of America's military and veteran caregivers and their families to light. Too often the family, loved ones and friends of our nation's wounded and ill service members and veterans do not know that they have taken on a new role – that of caregiver. This can exacerbate the challenges caregivers face and often leaves caregivers feeling isolated, misunderstood, and alone. Our outreach and awareness efforts help caregivers recognize this new role that they have assumed. Self-identification is the first step to accessing programs and finding a community that understands and can offer support. The Hidden Helpers initiative supports children, youth, and young adults up to age 18 who are involved in caring for wounded, ill, or aging service members or veterans. Through collaboration with nonprofit, corporate, and government partners, the Hidden Helpers program aims to create a positive collective impact for military-connected youth caregivers and their families. The subject of military children - and the impact of caregiving on their development and growth - has revealed itself to be a pressing issue on the minds of support organizations, military leaders, policymakers, and military families themselves. The Foundation is working to fill this gap through research and programming on (1) how military children are affected by a family member with a combat injury or illness, (2) how military children are affected by taking on caregiving duties themselves, and (3) what interventions or programs can best support the children of caregivers.

The Foundation's annual Heroes and History Makers Gala focuses on the stories of our nation's military and veteran caregivers. This national event also features successes from the broad scope of the Foundation's annual programming and creates opportunities for caregivers to build connections with one another.

The Face the Fight initiative is a coalition effort led by USAA and organized by EDF to raise awareness and support for veteran suicide prevention, aiming to halve the veteran suicide rate by 2030 through strategies such as safe firearm storage, equitable care access, and support for at-risk veterans.

The Elizabeth Dole Foundation National Cabinet is a donor initiative to bring change-makers with the experience, talent, and determination to solve the challenges facing America's military and veteran caregivers; Cabinet Members have a deep sense of appreciation for our nation and feel a sense of duty and commitment to support our wounded and ill veterans, their caregivers, and their families.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

1. Nature of Organization and Programs (continued)

Community Engagement and Peer Support

The Foundation's Community Support Programs connect caregivers to a national network that supports and facilitates sharing of best practices and peer-based support.

The Dole Caregiver Fellows program was created to engage active military and veteran caregivers directly in the Foundation's initiatives. The caregivers provide real-time input and play a leading role in raising awareness for hidden heroes across the country.

The Hidden Heroes Cities and Communities program, alongside the Hidden Heroes Caregiver Community (virtual), connects military caregivers to quality programs, benefits information, and local supports. The Foundation provides personalized 1:1 resource navigation, and partners with organizations to ensure effective referrals, enhance response times, expand nonprofit partnerships, and address key community topics through webinars and in-person events.

Direct Support

The Foundation's Direct Support programs provide caregivers to a national network that supports and facilitates sharing of best practices and peer-based support.

The Financial Wellness Programming (specifically through The Hope Fund for Critical Financial Assistance) provides financial relief to all areas of military and veteran caregivers through grants that aim to put military families on the path to financial wellness. These grants provide high-impact financial assistance to prevent or address a significant crisis or to improve the quality of life of the caregiver family. This financial relief fills the gaps that other programs may not cover, such as medical bills, natural disaster assistance, emergency transportation for appointments, or loss of income.

The Hidden Heroes Fund was established in 2016 to award grants to nonprofit organizations that serve military caregivers. This fund is dedicated to supporting innovative programs that make a direct impact in the lives of America's Hidden Heroes.

Through its Mental Wellness programming, the Foundation provides military caregivers with essential mental health resources, support and coping strategies, and aims to enhance caregivers' emotional well-being and resilience by addressing the unique mental health challenges they face. EDF also began a caregiver mental wellness pilot program, creating a module within the Academy for Inclusive Care to equip healthcare providers with the skills they need to understand the signs of mental health distress.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

1. Nature of Organization and Programs (continued)

Systemic Support

The Foundation has made transforming and improving national systems of care through systemic change a pillar of its organizational priorities.

Campaign for Inclusive Care – The Foundation partnered with the Department of Veteran Affairs to create the Campaign for Inclusive Care program, a national initiative to integrate military and veteran caregivers into their veteran's care team from day one of the care process. Holistic, family-based, caregiver inclusive teams are essential for the health and recovery of our nation's service members and veterans. Health systems must recognize, affirm, understand, and acknowledge the unique value and skills of caregivers.

Since its founding, EDF has advocated for policy improvements to support caregivers, their veterans, and their children. Dole Caregiver Fellows engage with their legislators at the federal and local levels to ensure that the needs of caregivers are met through inclusive policy.

The National Convening began in 2016, and is an annual event to unite government, nonprofit, and corporate leaders and caregivers around achieving policies and priorities that will create a better future for caregivers.

Research and Innovation

The Foundation developed the first comprehensive, evidence-based national study of military and veteran caregivers in 2014. A follow-up 2017 research blueprint, commissioned by the Foundation and conducted by the RAND Corporation, revealed a societal crisis requiring a national response. The RAND blueprint ranked research on the impact of caregiving on children as one of the highest priorities for improving military caregiver support going forward. This blueprint serves as a guide for the military caregiver support community to use in prioritizing and facilitating future research for America's hidden heroes. The Foundation commissioned a second national study with the RAND Corporation, which was released in September of 2024.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenue is recognized when earned and expenses are recognized as obligations are incurred.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Cash and Cash Equivalents

The Foundation considers all bank accounts and highly liquid investments with original maturities of three months or less at acquisition to be cash equivalents.

Contributions and Grants Receivable

Contributions and grants receivable are reported at the amount management expects to collect from outstanding principal balances. In reviewing the receivables, management considers the knowledge of the accounts and historical activity in establishing an allowance for doubtful accounts. No allowance for doubtful accounts is provided as of December 31, 2024 and 2023.

Contributions and grants receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. The discount will be recognized as contribution revenue in future fiscal years as the discount is amortized over the duration of the contributions.

Property and Equipment

Property and equipment are recorded at cost, or if donated, the assets are capitalized at the estimated fair value at the date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of 3 – 7 years for the office equipment, furniture and fixtures, and the website. The Foundation capitalizes all expenditures for property and equipment over \$2,500. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in the statements of activities.

Investments

Investments are reported at fair value. Fair value is 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. Donated securities are recorded at fair value on the date the securities are received.

2. Summary of Significant Accounting Policies (continued)

Investments (continued)

Interest income is recognized when received. Dividend income is recognized on the ex-dividend date. Realized gains and losses on sales of investments are recognized as specific investments sold. Unrealized gains and losses are recognized as there is a change in the investment value. Investment income, which includes the realized and unrealized gains and losses, capital gains, interest, and dividends, is reported net of the investment fees in the statements of activities.

Fair Value Measurements

The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, establishes a framework for measuring fair value for assets subject to fair value measurement. The framework provides a fair value hierarchy that prioritizes to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- *Level 1:* These are investments where values are based on unadjusted quoted prices for identical assets in an active market that the Foundation has the ability to access.
- *Level 2:* These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.
- *Level 3:* These are investments where values are based upon other unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable input and minimize the use of unobservable inputs.

A description of the valuation methodology used for assets measured at fair value is noted below. There have been no changes in the methodology used as of December 31, 2024 and 2023.

Common Stocks, Mutual Funds, and Exchange-Traded Funds – Valued at quoted market prices in an exchange and active market.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Alternative Investments in Hedge Funds – These assets include hedge funds measured at fair value utilizing the net asset value (NAV) per unit multiplied by the total number of units held or its equivalent as a practical expedient. Investing in these funds involves a high degree of risk. These funds are valued on a continuous basis at the NAV plus any applicable sales loads. The Foundation reviews and evaluates the values provided by the external investment managers and agrees with the valuation methods and assumptions used in determining the NAV of those investments. In accordance with ASC 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Long-Lived Assets – The Foundation reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. As of December 31, 2024 and 2023, the Foundation has not identified any long-lived assets requiring impairment.

Cash Held for Endowment

The cash held for endowment includes a large donation that has been restricted by the donor that stipulates the resources be maintained in perpetuity which was reinvested in 2024. See Note 8 for more information.

Basis of Presentation

Net assets, revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation are classified in the following two classes:

- *Net Assets Without Donor Restrictions* represent funds that are available to support the operations of the Foundation and are not subject to donor restrictions.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

- *Net Assets With Donor Restrictions* consist of contributions that have been restricted by the donor for specific purposes or are time restricted, including contributions that have been restricted by the donor that stipulate the resources be maintained in perpetuity, but permit the Foundation to use or expend a portion or all the income derived from the donated assets for either specified or unspecified purposes.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. See Notes 7 and 8 for more information on the composition of net assets with donor restrictions.

Revenue Recognition

Contributions and Grants

Contributions and grants are recognized as revenue when they are received or unconditionally promised (pledged). The Foundation reports gifts of cash and other assets as donor restricted support if they are received with donor stipulations that limit the use of the donated assets as to a particular purpose or to future periods. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the accompanying statements of activities as net assets released from restrictions. Restrictions expire when a stipulated time restriction ends, or a purpose restriction is accomplished.

Conditional promises to give, that is, those contributions with a measurable performance barrier and right of return, are only recognized when the conditions on which they depend are substantially met. The Foundation had approximately \$750,000 in unrecognized conditional contributions as of December 31, 2024.

Conditional contributions, for which the conditions have been substantially met or explicitly waived by the donor, are recorded as contribution revenue. Contributions that are restricted by the donor are reported as a refundable advance until all conditions are substantially met to remove the restriction.

Stock contributions are recognized as revenue when they are received or unconditionally promised.

Contributions of Nonfinancial Assets

Contributions of non-financial assets include donated travel expenses, lodging expenses, legal services, meals, and event space. Contributions of nonfinancial assets are recognized as revenue and expenses on the accompanying statements of activities at their estimated fair value at the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. See Note 9 for additional information on contributions of non-financial assets.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited on the basis of time records and other support, or by estimates made by management. The financial statements report certain categories of expenses that are attributable to one or more programs or supporting services of the Foundation.

Those expenses include salaries, benefits, and taxes, communication, supplies, internet and websites, depreciation and amortization, and payroll processing fees. As such, costs are allocated based on estimates of time and specific utilization.

Advertising

The Foundation expenses advertising and promotional costs as they are incurred. Advertising expense for the years ended December 31, 2024 and 2023 totaled \$105,713 and \$151,842, respectively.

Income Taxes

The Foundation is a nonprofit organization and is exempt from the payment of taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC and is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. No provision for income taxes is required for the years ended December 31, 2024 and 2023, as the Foundation had no net unrelated business income.

Accounting for Uncertain Tax Positions

The income tax positions taken by the Foundation for any years open under the various statutes of limitations are that the Foundation continues to be exempt from income taxes. The Foundation believes that there are no tax positions taken or expected to be taken that would significantly increase unrecognized tax liabilities within 12 months of the reporting date. The Foundation evaluated its uncertainty in income taxes and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. None of the Foundation's federal tax returns are currently under examination.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

3. Contributions and Grants Receivable

Contributions and grants receivable as of December 31, 2024 and 2023 are as follows:

	2024	2023
Receivable in less than one year	\$ 2,636,000	\$ 3,204,787
Receivable in one to five years	1,250,000	2,000,000
Total contributions and grants receivable	3,886,000	5,204,787
Less: unamortized discount	(39,064)	(115,939)
Contributions and grants receivable, net	<u>\$ 3,846,936</u>	<u>\$ 5,088,848</u>

Contributions and grants receivable as of December 31, 2024 and 2023 are reported in the statements of financial position as follows:

	2024	2023
Contributions and receivable – current	\$ 2,636,000	\$ 3,204,787
Contributions and receivable – non-current	1,210,936	1,884,061
Total contributions and grants receivable, net	<u>\$ 3,846,936</u>	<u>\$ 5,088,848</u>

Contributions and grants due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 4.35% as of December 31, 2024 and 2023.

4. Investments and Fair Value Measurement

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2024:

	Level 1	Level 2	Level 3	NAV	Total
Investments by level:					
Common stocks	\$ 14,795	\$ -	\$ -	\$ -	\$ 14,795
Mutual funds	908,865	-	-	-	908,865
Exchange-traded funds	541,854	-	-	-	541,854
Cash and cash equivalents	1,181,457	-	-	-	1,181,457
Accrued interest	3,495	-	-	-	3,495
Alternative investments:					
Hedge funds (a)	-	-	-	76,924	76,924
Total investments	<u>\$ 2,650,466</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,924</u>	<u>\$ 2,727,390</u>

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

4. Investments and Fair Value Measurement (continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2023:

	Level 1	Level 2	Level 3	NAV	Total
Investments by level:					
Common stocks	\$ 16,303	\$ -	\$ -	\$ -	\$ 16,303
Mutual funds	640,538	-	-	-	640,538
Exchange-traded funds	528,126	-	-	-	528,126
Cash and cash equivalents	369,806	-	-	-	369,806
Accrued interest	2,754	-	-	-	2,754
Treasury bill	516,797				516,797
Alternative investments:					
Hedge funds (a)	-	-	-	57,738	57,738
Total investments	<u>\$ 2,074,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,738</u>	<u>\$ 2,132,062</u>

Information with respect to redemption terms, strategies, risks, and funding commitments for alternative investments based on NAV, are as follows:

	2024	2023	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Redemption Restrictions
Hedge funds:						
American Beacon AHL				Daily		
Mgd Futs Strat R5	\$ -	\$ 5,849	\$ -	(T+1 liquidity)	Same Day	N/A
Six Circles Multi-Strategy	31,228	-	-	Daily (T+1 liquidity)	Same Day	N/A
Blackstone Alt Multi-Strategy Fund	22,513	22,806	-	Daily (T+1 liquidity)	Same Day	N/A
Neuberger Berman Long Short Fund	7,895	11,315	-	Daily (T+1 liquidity)	Same Day	N/A
PIMCO Mortgage Opportunities and Bond Fund	15,288	17,768	-	Daily (T+1 liquidity)	Same Day	N/A
	<u>\$ 76,924</u>	<u>\$ 57,738</u>				

For the years ended December 31, 2024 and 2023, net investment return included the following:

	2024	2023
Interest and dividends	\$ 94,459	\$ 40,484
Unrealized gains	66,966	168,919
Realized gains (losses)	62,144	(6,453)
Less: management fees	(9,277)	(7,100)
Total investment income, net	<u>\$ 214,292</u>	<u>\$ 195,850</u>

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

5. Property and Equipment

The Foundation held the following property and equipment as of December 31, 2024 and 2023:

	2024	2023
Office equipment	\$ 181,086	\$ 43,695
Furniture and fixtures	369,689	206,517
Website	436,102	321,102
Less: accumulated depreciation and amortization	(510,302)	(441,629)
Property and equipment, net	<u>\$ 476,575</u>	<u>\$ 129,685</u>

For the years ended December 31, 2024 and 2023, depreciation and amortization related to property and equipment totaled \$68,674 and \$39,920, respectively.

6. Concentration Risks

Financial Institutions and Market Risk

The Foundation maintains its cash and investment balances at financial institutions and at times, these balances may exceed federally insured limits. Non-interest and interest-bearing accounts at each institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. The Foundation has not experienced any losses in such accounts, and management believes it is not exposed to any significant credit risk.

Investments are exposed to various risks, such as changes in interest rates or credit ratings and market fluctuations. The Foundation is exposed to equity securities price risk in quoted shares classified at fair value. The Foundation diversifies its portfolio for the purpose of minimizing exposure in this area. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of investments will occur in the near-term and that such changes could materially affect the amounts reported on the accompanying statements of financial position.

Major Contributors

During the year ended December 31, 2024, the Foundation received 64% of its total pledges' receivable from two contributors. Approximately 28% of revenue and support was received from a single contributor. For the year ended December 31, 2023, the Foundation received 86% of its total pledges' receivable from three contributors. Approximately 61% of revenue and support was received from four contributors. The Foundation relies on the support of contributors to ensure the continuing programs and operations of the Foundation. Any significant reduction in funding from contributors may impact on the Foundation's ability to carry out its programs and other activities.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

7. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following on December 31, 2024:

	Beginning Balance	Additions	Released from Restrictions	Ending Balance
Purpose restrictions:				
Outreach and Awareness	\$ 1,016,426	\$ 821,855	\$ -	\$ 1,838,281
Community Engagement and Peer Support	1,069,398	914,999	(1,203,987)	780,410
Systemic Support	1,052,521	850,000	(1,137,613)	764,908
Research and Innovation	315,981	550,000	(352,206)	513,775
Direct Support	-	1,145,000	(818,007)	326,993
Time restricted	5,179,003	444,635	(2,771,066)	2,852,572
Total purpose and time restricted	8,633,329	4,726,489	(6,282,879)	7,076,939
Endowments to be invested in perpetuity	1,076,182	145,902	-	1,222,084
Total	<u>\$ 9,709,511</u>	<u>\$ 4,872,391</u>	<u>\$(6,282,879)</u>	<u>\$ 8,299,023</u>

Net assets with donor restrictions consist of the following on December 31, 2023:

	Beginning Balance	Additions	Released from Restrictions	Ending Balance
Purpose restrictions:				
Outreach and Awareness	\$ -	\$ 1,016,426	\$ -	\$ 1,016,426
Community Engagement and Peer Support	485,400	1,428,250	(844,251)	1,069,399
Systemic Support	925,675	975,460	(848,614)	1,052,521
Research and Innovation	760,859	425,000	(869,878)	315,981
Direct Support	95,754	1,288,166	(1,383,920)	-
Time restricted	4,531,334	2,456,927	(1,809,259)	5,179,002
Total purpose and time restricted	6,799,022	7,590,229	(5,755,922)	8,633,329
Endowments to be invested in perpetuity	1,076,182	-	-	1,076,182
Total	<u>\$ 7,875,204</u>	<u>\$ 7,590,229</u>	<u>\$(5,755,922)</u>	<u>\$ 9,709,511</u>

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

8. Endowment

The Foundation's endowment consists of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the District of Columbia's Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift of the 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 in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Foundation's endowment fund was donor-created to provide income to support the Foundation's mission and purposes. The board chairperson and board treasurer are endowment trustees responsible for the management of the funds and for regular reporting to the board. The trustees evaluate any potential investments based on return, risk, liquidity, and the Foundation's mission. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

The use of income generated from such funds is subject to board approval through the normal budgeting process. The Foundation has adopted investment and spending policies that seek to maintain the purchasing power of the endowment assets. The spending rate is up to 7% of the endowment annually. As of December 31, 2024 and 2023, the donor-restricted endowment net asset balance was \$1,222,084 and \$1,076,182, respectively. The interest earned was \$37,760 in 2024 and was classified as net assets with time restrictions. There were no distributions or releases from restrictions during the years ended December 31, 2024 and 2023.

In accordance with the Foundation's objective to maintain the purchasing power of the endowment assets, spending from donor-restricted funds is suspended when the fair market value of the endowment is less than the original gift until the asset market value exceeds the value of the original gift.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

8. Endowment (continued)

As of December 31, 2024 and 2023, endowment net asset composition by type of fund is as follows:

	2024	2023
	Total With Donor Restrictions	Total With Donor Restrictions
Donor-Restricted Endowment:		
Maintained in perpetuity	\$ 1,222,084	\$ 1,076,082
Accumulated net investment gains – available for operations	37,760	-
Total endowment net assets	<u>\$ 1,259,844</u>	<u>\$ 1,076,082</u>

9. Contributions of Nonfinancial Assets

The following table summarizes the Foundation's contributed nonfinancial assets received by major category for the year ended December 31, 2024:

	Revenue Recognized	Usage in Program Activities	Donor Restrictions	Fair Value Techniques and Inputs
Legal Services	\$ 244,000	\$ -	None	Firm's current hourly rate
Meals	44,614	44,614	National Cabinet, Hidden Helpers	Estimated fair market value
Property and equipment	36,644	-	None	Estimated fair market value
Lodging expenses	16,973	16,973	Direct Outreach & Awareness, Hidden Helpers	Estimated fair market value
Parking	660	660	National Cabinet	Estimated fair market value
Supplies	339	339	National Cabinet	Estimated fair market value
Total	<u>\$ 343,230</u>	<u>\$ 62,586</u>		

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

9. Contributions of Nonfinancial Assets (continued)

The following table summarizes the Foundation's contributed nonfinancial assets received by major category for the year ended December 31, 2023:

	Revenue Recognized	Usage in Program Activities	Donor Restrictions	Fair Value Techniques and Inputs
Travel expenses	\$ 354,200	\$ -	None	Estimated fair market value
Lodging expenses	73,984	73,984	Heroes and History Makers Gala	Estimated fair market value
Legal Services	44,000	-	None	Firm's current hourly rate
Meals	29,300	29,300	Heroes and History Makers Gala	Estimated fair market value
Events space	1,000	1,000	Heroes and History Makers Gala	Estimated fair market value
Total	<u>\$ 502,484</u>	<u>\$ 104,284</u>		

10. Operating Lease Commitments

On October 12, 2018, the Foundation entered into an agreement to rent office space in Washington, D.C. The lease commenced on April 1, 2019, and the lease agreement calls for monthly rent payments of \$17,543. The lease provides for annual rent escalations. On October 21, 2021, the lease agreement was amended for additional office space adjacent to the existing premises, starting June 1, 2022 through February 28, 2025. The amended lease includes additional monthly rent payments of \$16,401 and annual rent escalations.

The weighted-average remaining lease term for the operating lease as of December 31, 2024, was 0.17 years. The Foundation used the weighted-average borrowing rate, which was 1.04%, as the discount rate to calculate the present value of future lease payments. The Foundation amortizes the right-of-use asset on a straight-line basis over the individual lease terms.

In 2024, the Foundation entered into an agreement to rent new office space in Washington, DC. The lease commences on March 1, 2025, and the lease agreement calls for monthly rent payments of \$30,209. The lease provides for annual rent escalations. The Foundation recorded right-of-use asset and operating lease liabilities of \$3,199,836 and \$3,556,874, respectively, on the statement of financial position.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

10. Operating Lease Commitments (continued)

The following table summarizes the classification of the ROU lease asset and the related lease liability as of December 31, 2024 and 2023:

	2024	2023
ROU asset – operating:		
Cost	\$ 4,560,348	\$ 1,344,007
Less: accumulated amortization	<u>(1,360,512)</u>	<u>(831,889)</u>
Right-of-use asset, net	<u>\$ 3,199,836</u>	<u>\$ 512,118</u>
	2024	2023
Lease liability – operating:		
Lease liability – operating – current portion	\$ 251,569	\$ 482,914
Lease liability – operating – noncurrent portion	<u>3,305,305</u>	<u>77,816</u>
Lease liability – operating	<u>\$ 3,556,874</u>	<u>\$ 560,730</u>

Future minimum payments for the office leases are as follows for the year ending December 31:

2025	\$ 383,032
2026	370,056
2027	379,308
2028	388,790
2029	398,510
2030 and thereafter	<u>2,454,538</u>
Total undiscounted cash flows	4,374,234
Less: present value discount	<u>(817,360)</u>
Total undiscounted cash flows	<u>\$ 3,556,874</u>

The Foundation records occupancy expense on the straight-line method over the term of the lease and includes cash paid for rent plus amortization of the operating lease liability. During the years ended December 31, 2024 and 2023, occupancy expense totaled \$565,308 and \$442,070 for each of the years ended December 31, 2024 and 2023, respectively.

11. Retirement Plan

The Foundation sponsors a 401(k) plan for eligible employees who have completed one month of service. Employees are fully vested in salary deferrals and employer nonelective contributions. The Foundation's contributions for the years ended December 31, 2024 and 2023 totaled \$85,645 and \$73,115, respectively.

CARING FOR MILITARY FAMILIES: THE ELIZABETH DOLE FOUNDATION

Notes to Financial Statements

December 31, 2024 and 2023

12. Hotel Commitments

The Foundation holds conferences, events, and meetings at hotels and other venues throughout the United States and has entered into several agreements for its future events. These agreements state that the Foundation will be liable for certain cancellation fees and liquidated damages in the event of cancellation. Such expenses are recorded at the time there is a decision to cancel. Management does not expect any hotel agreement cancellations in the near future.

13. Liquidity and Availability of Resources

The following reflects the Foundation's financial assets available within one year for general operations from December 31:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash and cash equivalents	\$ 3,889,960	\$ 3,964,064
Contributions and grants receivable, net	3,846,936	5,088,848
Investments	<u>2,727,390</u>	<u>2,132,062</u>
Total financial assets	10,464,286	11,184,974
Less: unavailable for general expenditure within one year due to:		
Donor purpose and time restrictions	(8,299,023)	(8,633,329)
Restricted by donor in perpetuity	<u>(1,222,084)</u>	<u>(1,076,182)</u>
Financial assets available (needed) to meet cash needs for general expenditure within one year	<u>\$ 943,179</u>	<u>\$ 1,475,463</u>

As part of the Foundation's liquidity management, the Foundation has a policy to structure its financial assets to be available and liquid as its obligations become due. The Foundation typically pays its obligations using cash.

14. Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through September 16, 2025, the date the financial statements were available to be issued. There were no subsequent events that require recognition of, or disclosure in, the financial statements.