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# University of Wyoming Foundation

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**Financial Report**  
**June 30, 2025**

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## Independent Auditor's Report

To the Board of Directors  
University of Wyoming Foundation

### **Opinion**

We have audited the financial statements of University of Wyoming Foundation (the "Foundation"), which comprise the statement of financial position as of June 30, 2025 and 2024 and the related statements of activities and changes in net assets, 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 Foundation as of June 30, 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 Audits of the Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our 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.

### **Emphasis of Matter**

As described in Note 4 to the financial statements, the June 30, 2025 and 2024 financial statements include certain investments valued at approximately \$405,000,000 (61 percent of net assets) and \$403,000,000 (66 percent of net assets) as of June 30, 2025 and 2024, respectively, whose fair values are not based on readily determinable fair values. Management recognizes the fair value of these investments based on information provided by the fund managers or general partners. Our opinion is not modified with respect to this matter.

### **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 issued or 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 audits 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.

To the Board of Directors  
University of Wyoming Foundation

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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.

*Plante & Moran, PLLC*

October 21, 2025

Statement of Financial Position

June 30, 2025 and 2024

	2025	2024
<b>Assets</b>		
Cash and cash equivalents	\$ 1,023,902	\$ 1,456,705
Investments (Note 4)	931,108,313	870,730,839
Bitcoin	42,015,050	24,135,294
Equity method investments	27,711,345	27,081,118
Receivables - Net:		
Contributions receivable (Note 7)	22,660,915	23,402,131
Other accounts receivable	111,391	269,348
Prepaid expenses and other assets	59,488	251,419
Contributed assets held for sale	421,600	421,600
Property and equipment - Net (Note 8)	30,875,116	32,418,416
	<b>\$ 1,055,987,120</b>	<b>\$ 980,166,870</b>
Total assets		
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable (Note 9)	\$ 12,812,254	\$ 6,613,937
Amounts held for others (Note 10)	373,194,500	348,967,018
Split-interest agreements payable (Note 11)	5,492,882	4,739,763
Accrued and other liabilities	601,958	516,493
Grand Avenue Property note payable (Note 12)	4,517,007	4,750,424
	396,618,601	365,587,635
Total liabilities		
<b>Net Assets (Note 13)</b>		
Without donor restrictions:		
Undesignated	29,647,986	40,978,168
Board designated	42,240,267	43,348,484
	71,888,253	84,326,652
Total without donor restrictions		
With donor restrictions	587,480,266	530,252,583
	659,368,519	614,579,235
Total net assets		
	<b>\$ 1,055,987,120</b>	<b>\$ 980,166,870</b>
Total liabilities and net assets		

Statement of Activities and Changes in Net Assets

Years Ended June 30, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, Gains, and Other Support</b>						
Contributions and state match	\$ 8,544,416	\$ 42,547,187	\$ 51,091,603	\$ 17,152,068	\$ 34,738,255	\$ 51,890,323
Less contributions to accounts held for others (Note 10)	(8,887,905)	-	(8,887,905)	(16,523,637)	-	(16,523,637)
Contributions of nonfinancial assets	-	418,000	418,000	-	42,500	42,500
University of Wyoming	280,000	-	280,000	910,978	-	910,978
Assessments	10,328,471	(10,308,104)	20,367	9,610,934	(9,603,978)	6,956
(Loss) return from equity method investments	(427,008)	(488,728)	(915,736)	4,943,719	5,658,295	10,602,014
Gain from remeasurement of Bitcoin	8,337,330	9,542,426	17,879,756	5,729,154	6,557,259	12,286,413
Net investment return	29,148,385	32,054,827	61,203,212	26,152,321	30,389,997	56,542,318
Less net investment return on amounts held for others (Note 10)	(26,689,572)	-	(26,689,572)	(25,629,200)	-	(25,629,200)
Change in cash surrender value of life insurance policies	-	74,188	74,188	-	79,612	79,612
Change in value of split-interest agreements	-	372,574	372,574	-	374,692	374,692
Other revenue	1,024,101	3,345,210	4,369,311	1,058,997	4,606,016	5,665,013
Net assets released from restrictions	20,329,897	(20,329,897)	-	27,438,801	(27,438,801)	-
<b>Total revenue, gains, and other support</b>	<b>41,988,115</b>	<b>57,227,683</b>	<b>99,215,798</b>	<b>50,844,135</b>	<b>45,403,847</b>	<b>96,247,982</b>
<b>Expenses</b>						
Program services:						
Program expenses	48,142,994	-	48,142,994	42,592,054	-	42,592,054
Less distributions made from amounts held for others (Note 10)	(11,338,854)	-	(11,338,854)	(11,277,251)	-	(11,277,251)
<b>Total program services</b>	<b>36,804,140</b>	<b>-</b>	<b>36,804,140</b>	<b>31,314,803</b>	<b>-</b>	<b>31,314,803</b>
Support services:						
Fundraising	8,970,866	-	8,970,866	8,992,050	-	8,992,050
Management and general	8,651,508	-	8,651,508	9,485,702	-	9,485,702
<b>Total expenses</b>	<b>54,426,514</b>	<b>-</b>	<b>54,426,514</b>	<b>49,792,555</b>	<b>-</b>	<b>49,792,555</b>
<b>Change in Net Assets</b>	<b>(12,438,399)</b>	<b>57,227,683</b>	<b>44,789,284</b>	<b>1,051,580</b>	<b>45,403,847</b>	<b>46,455,427</b>
<b>Net Assets - Beginning of year</b>	<b>84,326,652</b>	<b>530,252,583</b>	<b>614,579,235</b>	<b>83,275,072</b>	<b>484,848,736</b>	<b>568,123,808</b>
<b>Net Assets - End of year</b>	<b>\$ 71,888,253</b>	<b>\$ 587,480,266</b>	<b>\$ 659,368,519</b>	<b>\$ 84,326,652</b>	<b>\$ 530,252,583</b>	<b>\$ 614,579,235</b>

## University of Wyoming Foundation

### Statement of Functional Expenses

	<b>Year Ended June 30, 2025</b>			
	Program Services	Fundraising	Management and General	Total
Distributions to University of Wyoming	\$ 47,831,610	\$ -	\$ -	\$ 47,831,610
Less distributions made from amounts held for others	(11,338,854)	-	-	(11,338,854)
University of Wyoming support	50,000	-	-	50,000
University of Wyoming president support	109,884	-	-	109,884
University of Wyoming Alumni Association support	151,500	-	-	151,500
Salaries	-	4,889,043	3,196,843	8,085,886
Employee benefits	-	1,879,329	1,309,944	3,189,273
Equipment and data processing	-	728,606	915,262	1,643,868
Building maintenance	-	-	146,227	146,227
Printing and duplication	-	443,489	31,404	474,893
Investment counsel fees	-	-	335,226	335,226
Travel and entertainment	-	513,190	183,211	696,401
Interest	-	-	139,273	139,273
Insurance	-	-	291,403	291,403
Contractual services	-	364,972	252,151	617,123
Professional development	-	101,480	69,069	170,549
Supplies	-	1,688	27,839	29,527
Moving and recruiting expenses	-	-	6,321	6,321
Legal fees	-	-	21,933	21,933
Depreciation	-	-	1,725,402	1,725,402
Taxes	-	49,069	-	49,069
<b>Total functional expenses</b>	<b>\$ 36,804,140</b>	<b>\$ 8,970,866</b>	<b>\$ 8,651,508</b>	<b>\$ 54,426,514</b>

## University of Wyoming Foundation

### Statement of Functional Expenses

	<b>Year Ended June 30, 2024</b>			
	Program Services	Fundraising	Management and General	Total
Distributions to University of Wyoming	\$ 42,001,813	\$ -	\$ -	\$ 42,001,813
Less distributions made from amounts held for others	(11,277,251)	-	-	(11,277,251)
University of Wyoming support	412,916	-	-	412,916
University of Wyoming president support	120,825	-	-	120,825
University of Wyoming Alumni Association support	56,500	-	-	56,500
Salaries	-	4,444,517	3,698,036	8,142,553
Employee benefits	-	1,967,551	1,572,035	3,539,586
Equipment and data processing	-	687,237	745,508	1,432,745
Building maintenance	-	-	864,238	864,238
Printing and duplication	-	431,517	32,687	464,204
Investment counsel fees	-	-	315,029	315,029
Travel and entertainment	-	488,410	190,250	678,660
Interest	-	-	146,210	146,210
Insurance	-	-	276,343	276,343
Contractual services	-	801,072	95,617	896,689
Professional development	-	122,969	75,203	198,172
Supplies	-	2,032	23,699	25,731
Moving and recruiting expenses	-	-	99,974	99,974
Legal fees	-	-	46,932	46,932
Depreciation	-	-	1,303,941	1,303,941
Taxes	-	46,745	-	46,745
<b>Total functional expenses</b>	<b>\$ 31,314,803</b>	<b>\$ 8,992,050</b>	<b>\$ 9,485,702</b>	<b>\$ 49,792,555</b>

Statement of Cash Flows

Years Ended June 30, 2025 and 2024

	2025	2024
<b>Cash Flows from Operating Activities</b>		
Increase in net assets	\$ 44,789,284	\$ 46,455,427
Adjustments to reconcile increase in net assets to net cash and cash equivalents from operating activities:		
Depreciation	1,725,402	1,303,941
Loss on disposal of property and equipment	18,918	-
Change in value of charitable remainder trusts	(372,574)	(374,692)
Contributions of nonfinancial assets	-	(42,500)
Net realized and unrealized gains on investments	(22,494,566)	(52,235,824)
Contributions for long-term purposes	(7,741,836)	(15,177,553)
Changes in operating assets and liabilities that (used) provided cash and cash equivalents:		
Contributions receivable	(16,689,310)	(2,445,249)
Other accounts receivable	157,957	(83,942)
Prepaid expenses and other assets	191,931	(178,000)
Accounts payable	6,198,317	1,628,805
Amounts held for others	(2,462,090)	5,240,444
Accrued and other liabilities	85,465	51,986
Split-interest agreements payable	1,125,693	486,406
Net cash and cash equivalents provided by (used in) operating activities	4,532,591	(15,370,751)
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(201,020)	(704,292)
Proceeds from disposition of property and equipment	-	1,789,813
Purchases of investments	(3,031,478,853)	(1,519,854,140)
Proceeds from sales and maturities of investments	3,003,321,497	1,520,572,321
Investment in equity method investee	(7,148,991)	(15,677,034)
Distributions from equity method investee	5,603,028	14,325,047
Net cash and cash equivalents (used in) provided by investing activities	(29,904,339)	451,715
<b>Cash Flows from Financing Activities</b>		
Payments on notes payable	(233,417)	(226,480)
Contributions collected for long-term purposes	25,172,362	15,443,259
Net cash and cash equivalents provided by financing activities	24,938,945	15,216,779
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(432,803)	297,743
<b>Cash and Cash Equivalents - Beginning of year</b>	1,456,705	1,158,962
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 1,023,902</b>	<b>\$ 1,456,705</b>
<b>Supplemental Cash Flow Information - Cash paid for interest</b>	\$ 139,273	\$ 146,210

**Note 1 - Nature of Business**

University of Wyoming Foundation (the "Foundation") is an independent not-for-profit organization established for the purpose of obtaining contributions for the benefit of the University of Wyoming (the "University") and management of the related investments in accordance with donor directions. The Foundation and the University of Wyoming Institutional Advancement Office cooperate significantly and utilize common staff in performing the fundraising activities and management of investments. Accordingly, the Foundation's financial statements present the shared budget expenditures and recognize as support the University of Wyoming's contribution to the shared budget.

**Note 2 - Significant Accounting Policies**

***Basis of Presentation***

The financial statements of the Foundation have been prepared on the basis of generally accepted accounting principles (GAAP).

***Classification of Net Assets***

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

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 Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

***Use of Estimates***

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

***Cash and Cash Equivalents***

The Foundation considers all depository bank account balances, other than those held as part of the investment portfolio and subject to the investment policy, to be cash and cash equivalents. At times, the Foundation may hold cash and cash equivalents in excess of FDIC insurance coverage.

***Investments and Equity Method Investments***

The Foundation records investment purchases initially at cost or, when donated to the Foundation, at fair value at the date of donation. The majority of investments are held in the short-term or long-term investment pools (endowment pool). Both investment pools are managed at the direction of the chief investment officer and the investment committee of the Foundation's board of directors.

**Note 2 - Significant Accounting Policies (Continued)**

Other entities affiliated with the University, including the Cowboy Joe Club, various departments of the University of Wyoming, and the University's endowments, participate with the Foundation where certain assets are pooled for investment purposes. The Foundation manages the assets of the pool and maintains separate accounts for each participant. Investment income, gains, losses, and expenses of the pool are allocated to each participant based on their unit interest in the pool, consistent with the practice described below for endowments. These portions of the investment pools managed on behalf of others are included in the investment asset balances presented, as well as a liability for amounts due to others, on the statement of financial position. The investment returns (losses) and other activity affecting these amounts managed on behalf of others are excluded from total revenue or expenses on the statement of activities and changes in net assets, as these transactions do not increase or decrease the net assets of the Foundation.

Investments in limited liability companies in which the Foundation has more than a minor interest (more than 20 percent) is accounted for using the equity method. Under the equity method, the investment is carried at cost, adjusted for the Foundation's proportionate share of undistributed earnings or losses. Impairment losses, if any, due to a decline in the value of the investment that would be other than temporary will be recognized when incurred. No impairment losses were recognized for 2025 and 2024.

Investments in equity securities with readily determinable fair values and investments in debt securities are reported at fair value, with unrealized gains and losses included in earnings.

Investments in equity securities without a readily determinable fair value are recorded at cost and adjusted for any observable changes in price. Impairment losses due to a decline in the value of the investment that is other than temporary are recognized when incurred. No impairment losses were recognized for 2025 and 2024.

Included in the investment portfolio are real estate and note receivable assets managed under the investment policy. These assets are stated at cost and present value, respectively, subject to impairment. No impairment losses were recognized for 2025 and 2024 and the notes receivable were repaid during 2025.

The alternative investments, composed primarily of hedge funds and limited partnerships, which are not readily marketable, are measured at fair value, valued at net asset value per share as the practical expedient. The Foundation reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and significant assumptions used in determining fair value. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed.

Endowed funds use an investment pool approach, under which each restricted purpose endowment has a specific unit interest based on its capital contributions to the pool. Income earned in the pool is allocated monthly to unrestricted funds for general operations and to the individual endowments in proportion to the unit interests as of the end of the month. Gains and losses from the sale of pooled investments and unrealized gains and losses on investments held are allocated in the same manner.

***Bitcoin***

The Foundation's investment pool includes Bitcoin assets, which the Foundation considers to be investments, and they are managed under the investment policy. Bitcoin assets meeting certain criteria are recognized at cost and subsequently measured at fair value. Change in value of the Bitcoin assets is presented separately on the statement of activities and changes in net assets.

**Note 2 - Significant Accounting Policies (Continued)**

***Investments Risk and Uncertainties***

The Foundation invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect investment account balances and the amounts reported in the financial statements.

***Property and Equipment***

The Foundation capitalizes major expenditures for property and equipment, which are recorded at cost or, if donated, at fair value at the time of donation.

Gifts of long-lived assets, if any, such as land, buildings, or equipment, are reported as support without donor restrictions unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets must be maintained. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Straight-line depreciation methods are used for computing depreciation. Assets are depreciated over their estimated useful lives, as outlined in the table below:

	Depreciable Life - Years
	<hr/>
Buildings	35-39
Vehicles	5
Furniture, fixtures, and other	5-15
Computers, equipment, and software	5-15
Digital asset mining equipment	3
Right-of-use operating lease assets	5

Costs of maintenance and repairs are charged to expense when incurred.

***Split-interest Agreements***

The Foundation is a remainder beneficiary of several charitable gift annuity and charitable remainder unitrusts. Required distributions to other beneficiaries range from 4.5 percent to 9.7 percent of gift or market value, as defined by each agreement. The discount rates used to calculate the present value range from 5.0 percent to 5.6 percent.

***Contributions***

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows. Contributions resulting from split-interest agreements, measured at the time the agreements are entered, are based on the difference between the fair value of the assets received or promised and the present value of the obligation to the third-party recipient(s) under the contract. Contributions without donor-imposed restrictions are reported as contributions without donor restrictions.

There were no significant contributions of nonfinancial assets during fiscal years ended June 30, 2025 and 2024.

**Note 2 - Significant Accounting Policies (Continued)**

***Functional Allocation of Expenses***

Costs of providing the program and support services have been reported on a functional basis in the statement of functional expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are allocated to the various functions based on either the underlying purpose of the expense or allocated based on the percentage of time employees spend on each function for those that can be attributable to more than one function, such as salaries and benefits. Costs have been allocated between the various program and support services based on estimates determined by management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

***Income Taxes***

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including October 21, 2025, which is the date the financial statements were available to be issued.

On July 1, 2025, the Foundation was gifted ownership of shares in an S corporation with a fair value of approximately \$13,900,000. As the Foundation owns 100 percent of the shares of the corporation, all activity will be consolidated.

**Note 3 - Liquidity and Availability of Resources**

The following reflects the Foundation's financial assets as of June 30 reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

	2025	2024
Cash and cash equivalents	\$ 1,023,902	\$ 1,456,705
Investments, equity method investments, and Bitcoin	1,000,834,708	921,947,251
Contributions receivable	22,660,915	23,402,131
Other receivables	111,391	269,348
Financial assets - At year end	1,024,630,916	947,075,435
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose and time restrictions	65,026,562	61,584,293
Subject to appropriation and satisfaction of donor restrictions related to endowment	522,453,704	468,668,290
Amounts held for others	373,194,500	348,967,018
Split-interest agreements payable	5,492,882	4,739,763
Board-designated endowments	12,991,478	11,951,680
Financial assets available to meet cash needs for general expenditures within one year	\$ 45,471,790	\$ 51,164,391

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in various short-term investments.

**Note 3 - Liquidity and Availability of Resources (Continued)**

The Foundation also realizes there could be unanticipated liquidity needs.

The Foundation's endowment funds consist of donor-restricted endowments and board-designated endowments of \$535,445,182 and \$480,619,970 and custodial endowment corpus totaling \$347,598,365 and \$325,030,952 at June 30, 2025 and 2024, respectively. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. As described in Note 14, the board-designated endowment has a spending rate based on December market values and based on the prior year's distribution. A total of \$160,163 of appropriations from the board-designated endowment will be available within the next 12 months. Although the Foundation does not intend to spend from its board-designated endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated endowment could be made available if necessary. However, both the board-designated endowment and donor-restricted endowments contain investments with lock-up provisions that would reduce the total investments that could be made available (see Note 4 for disclosures about investments).

**Note 4 - Investments and Fair Value Measurements**

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Investments that are measured at fair value using net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified into the fair value hierarchy below but are shown in a separate column beside those assets that are classified into the hierarchy. The fair value amounts presented in the following tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented on the statement of financial position. Those investments that are measured at NAV require additional disclosures regarding the liquidity and redemption conditions around the investments, which are presented later in this note.

**Note 4 - Investments and Fair Value Measurements (Continued)**

*Investments for Which it was Not Practicable to Estimate Fair Value*

The Foundation holds certain investments that are considered for accounting treatment under GAAP as investments in equity securities without readily determinable fair values under ASC 321. Under this accounting treatment, the securities are recorded initially at cost and adjusted for any observable changes in price. Impairment losses due to a decline in the value of the investment that is other than temporary are recognized when incurred. The Foundation must reassess at each reporting period whether these equity securities continue to qualify for this treatment due to a lack of a readily determinable fair value. If a fair value becomes readily available or if the Foundation makes an election to measure these securities at fair value despite the impracticalities, the securities must be measured at fair value from that point forward.

The Foundation holds a number of equity interests related to startup companies. Certain equity interests required no cash to be paid for these equity interests, as they were obtained as consideration in exchange for the use of university facilities and personnel, as well as licensing considerations. The investments are held on behalf of, and in trust for, the University. It was not practicable to estimate the fair value of these equity interests. The investments as of June 30, 2025 and 2024 have not incurred any downward or upward adjustments in value in either of the years then ended or cumulatively since the investments were placed, as no observable price changes for identical or similar investments of the same issuer have occurred, and no impairment indicators have become present. Accordingly, no unrealized gains or losses have been recognized on these investments without readily determinable fair values.

The Foundation holds a separate equity interest where cash was paid for the equity interest in the startup company. Original cost of the investment is approximately \$7,000,000 as of June 30, 2025 and 2024. Subsequent to payment for the equity interests, there were observable transactions that allowed the Foundation to adjust the recorded amount up to approximately \$20,000,000 as of June 30, 2024, which is included in investments on the statement of financial position. The investment declined in value during the year ended June 30, 2025, as observable price changes for identical or similar investments of the same issuer have occurred. Therefore, the Foundation has adjusted the recorded amount to approximately \$10,000,000 as of June 30, 2025 on the statement of financial position. Accordingly, unrealized losses have been recognized on this investment without readily determinable fair values within net investment return on the statement of activities and changes in net assets.

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

June 30, 2025 and 2024

**Note 4 - Investments and Fair Value Measurements (Continued)**

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at June 30, 2025 and 2024 and the valuation techniques used by the Foundation to determine those fair values:

Assets Measured at Fair Value on a Recurring Basis at June 30, 2025					
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	Balance at June 30, 2025
<b>Investments</b>					
Fixed income:					
Cash and equivalents subject to investment policy	\$ 33,451,516	\$ 56,633,770	\$ -	\$ -	\$ 90,085,286
Mutual funds	10,134,427	-	-	-	10,134,427
Investment-grade bonds	566,195	7,010,660	-	-	7,576,855
Opportunistic credit	-	-	-	35,772,760	35,772,760
Total fixed income	44,152,138	63,644,430	-	35,772,760	143,569,328
Equity:					
Cash and equivalents subject to investment policy	10,264	-	-	-	10,264
U.S. large- and mid-cap equity	1,101,962	-	-	-	1,101,962
Exchange-traded funds	10,965,764	-	-	-	10,965,764
Developed foreign equity	33,828,856	-	-	-	33,828,856
Emerging markets equity	41,220,951	-	-	-	41,220,951
Common stock	64,222,398	-	-	-	64,222,398
Mutual funds	113,276,137	-	-	-	113,276,137
U.S. equity	466,271	-	-	104,817,990	105,284,261
Total equity	265,092,603	-	-	104,817,990	369,910,593
Hedge funds:					
Event driven	-	-	4,099	150,650	154,749
U.S. investment-grade fixed income	-	-	-	27,152,760	27,152,760
Multistrategy	-	-	101,768	-	101,768
Total hedge funds	-	-	105,867	27,303,410	27,409,277
Private equity:					
Buyout	-	-	-	136,864,152	136,864,152
Private debt	-	-	-	50,018,672	50,018,672
Venture capital	-	-	1,693,558	99,714,338	101,407,896
Real assets	-	-	-	4,954,201	4,954,201
Lower middle market	-	-	-	2,930,309	2,930,309
Infrastructure	-	-	-	542,977	542,977
Natural resources	-	-	-	3,874,432	3,874,432
Total private equity	-	-	1,693,558	298,899,081	300,592,639
Real assets:					
Infrastructure	-	-	-	13,847,717	13,847,717
Natural resources	-	-	-	25,820,553	25,820,553
Real estate	-	-	-	37,071,703	37,071,703
Total real assets	-	-	-	76,739,973	76,739,973
Total investments	\$ 309,244,741	\$ 63,644,430	\$ 1,799,425	\$ 543,533,214	\$ 918,221,810
<b>Bitcoin</b>	\$ 42,015,050	\$ -	\$ -	\$ -	\$ 42,015,050

June 30, 2025 and 2024

**Note 4 - Investments and Fair Value Measurements (Continued)**

In addition to the investments carried at fair value as of June 30, 2025, the Foundation holds investment assets without readily determinable fair values of \$11,195,285 and digital assets accounted for as indefinite-lived intangibles of \$1,691,218, making total investments \$931,108,313.

Assets Measured at Fair Value on a Recurring Basis at June 30, 2024					
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	Balance at June 30, 2024
<b>Investments</b>					
Fixed income:					
Cash and equivalents subject to investment policy	\$ 32,267,788	\$ 62,764,238	\$ -	\$ -	\$ 95,032,026
Mutual funds	514,655	-	-	-	514,655
Investment-grade bonds	540,150	10,855,666	-	-	11,395,816
Opportunistic credit	-	-	-	67,429,774	67,429,774
Total fixed income	33,322,593	73,619,904	-	67,429,774	174,372,271
Equity:					
U.S. large- and mid-cap equity	18,224,985	-	-	148,440,175	166,665,160
Exchange-traded funds	9,042,657	-	-	-	9,042,657
Developed foreign equity	28,342,692	-	-	-	28,342,692
Emerging markets equity	32,024,504	-	-	-	32,024,504
Common stock	28,561,325	-	-	-	28,561,325
Total equity	116,196,163	-	-	148,440,175	264,636,338
Hedge funds:					
Event driven	-	-	5,384	175,598	180,982
U.S. investment-grade fixed income	-	-	-	26,650,881	26,650,881
Fixed income	-	-	-	5,000,000	5,000,000
Long-short equity	-	-	-	1,995,698	1,995,698
Multistrategy	-	-	158,732	-	158,732
Total hedge funds	-	-	164,116	33,822,177	33,986,293
Private equity:					
Buyout	-	-	-	147,453,400	147,453,400
Private debt	-	-	-	34,137,314	34,137,314
Venture capital	-	-	2,969,964	99,898,711	102,868,675
Real assets	-	-	-	3,612,280	3,612,280
Lower middle market	-	-	-	2,278,707	2,278,707
Total private equity	-	-	2,969,964	287,380,412	290,350,376
Real assets:					
Infrastructure	-	-	-	14,136,360	14,136,360
Natural resources	-	-	-	27,251,787	27,251,787
Real estate	-	-	-	37,323,561	37,323,561
Total real assets	-	-	-	78,711,708	78,711,708
Total investments	\$ 149,518,756	\$ 73,619,904	\$ 3,134,080	\$ 615,784,246	\$ 842,056,986
<b>Bitcoin</b>	\$ 24,135,294	\$ -	\$ -	\$ -	\$ 24,135,294

In addition to the investments carried at fair value as of June 30, 2024, the Foundation holds investment assets without readily determinable fair values of \$25,454,640 and digital assets accounted for as indefinite-lived intangibles of \$3,219,213, making total investments \$870,730,839.

June 30, 2025 and 2024

**Note 4 - Investments and Fair Value Measurements (Continued)**

The fair values of fixed-income cash equivalents and investment-grade bonds at June 30, 2025 and 2024 were determined primarily based on Level 2 inputs. The Foundation estimates the fair value of these investments using quoted market prices and other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry-standard models that consider various assumptions, including time value and yield curve, as well as other relevant economic measures, and are primarily Level 2 inputs.

**Investments in Entities that Calculate Net Asset Value per Share**

The Foundation holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on net asset value per share (or its equivalent) of the investment company.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	June 30, 2025	June 30, 2024		June 30, 2025	
	Fair Value	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Fixed income - Opportunistic credit (a)	\$ 35,772,760	\$ 67,429,774	\$ -	Annual	30-90 days
Equity - U.S. large- and mid-cap equity (b)	104,817,990	148,440,175	-	Daily and monthly	1 day
Hedge funds:					
Event driven (c)	150,650	175,598	-	Quarterly	65 days
U.S. investment-grade fixed income (d)	27,152,760	26,650,881	-	Varies	45-60 days
Fixed income (d)	-	5,000,000	-	Quarterly	90 days
Long-short equity (e)	-	1,995,698	-	Monthly	30 days
Private equity: (f)					
Buyout	136,864,152	147,453,400	26,526,554	None	N/A
Private debt	50,018,672	34,137,314	25,231,612	None	N/A
Venture capital	99,714,338	99,898,711	16,520,371	None	N/A
Real assets	4,954,201	3,612,280	1,862,500	None	N/A
Lower middle market	2,930,309	2,278,707	6,318,411	None	N/A
Infrastructure	542,977	-	14,331,886	None	N/A
Natural resources	3,874,432	-	6,245,542	None	N/A
Real assets: (g)					
Infrastructure	13,847,717	14,136,360	2,035,466	None	N/A
Natural resources	25,820,553	27,251,787	3,070,664	None	N/A
Real estate	37,071,703	37,323,561	12,474,860	None	N/A
<b>Total</b>	<b>\$ 543,533,214</b>	<b>\$ 615,784,246</b>	<b>\$ 114,617,866</b>		

As of June 30, 2025 and 2024, the net asset values of these investments have been provided by the underlying general partner or fund manager.

(a) The opportunistic credit fund class includes investments in privately originated and privately negotiated investments, predominantly direct lending to U.S. companies through first lien senior secured and unitranche loans and second lien, unsecured, subordinated, or mezzanine loans and structured credit, as well as broadly syndicated loans and other debt and equity securities. The opportunistic credit fund class may also invest in publicly traded securities of large corporate issuers.

**Note 4 - Investments and Fair Value Measurements (Continued)**

- (b) The equity fund class includes investments in large-cap, mid-cap, and emerging market companies through acquisition of common stock. Investments include publicly traded U.S. and non-U.S. stocks; an investment in a privately held bank holding company; and a fund that may invest in vehicles, including equity-related, hybrid, and credit securities that are traded publicly and privately in the U.S. and non-U.S. markets.
- (c) The event-driven hedge funds class includes investments in hedge funds that focus on a range of events. These events include activist, distressed - noncontrol, long-short credit, long-short equity, and merger (risk) arbitrage. These funds have limited transparency to underlying securities. The fair values of the investments in this class have been estimated using net asset value per share of the investments. The term for these investments ranges from 60 to 90 days.
- (d) The fixed-income hedge fund class includes hedge funds that tend to focus on mispricing within credit instruments. The investments have limited transparency to underlying securities. The investments are valued using significant unobservable inputs. The fair values of the investments in this class have been estimated using net asset value per share of the investments. The term for these investments ranges from 60 to 90 days.
- (e) The long-short equity hedge fund class includes investments in hedge funds that invest both long and short, primarily in U.S. common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position. The investments contain exposure in the U.S. market but will also take advantage of investment opportunities in Europe, Asia, and emerging markets. The fair values of the investments in this class have been estimated using net asset value per share of the investments.
- (f) The private equity funds class includes several private equity funds that employ buyout, private distressed debt, venture capital strategies, infrastructure, or natural resources. These investments are not readily redeemable, but a secondary market does exist to provide the potential for early liquidation. The nature of these investments is that distributions are anticipated to be received through liquidation of the underlying assets of the fund and final distributions to the investors. The terms of these investments are 5 to 12 years. The fair values of the investments in this class have been estimated using net asset value of the Foundation's ownership interest in partners' capital.
- (g) The real assets funds class includes several funds that focus on infrastructure, natural resources, and real estate that invest in primarily in assets in the U.S. These investments are not readily redeemable, but a secondary market does exist to provide the potential for early liquidation. The nature of these investments is that distributions are anticipated to be received through liquidation of the underlying assets of the fund and final distributions to the investors. The terms of these investments are 5 to 12 years. The fair values of the investments in this class have been estimated using net asset value of the Foundation's ownership interest in partners' capital.

June 30, 2025 and 2024

**Note 5 - Investments Using the Equity Method**

Investments accounted for using the equity method consist of the following at June 30, including percentage of total units held:

	Percent Owned	
	2025	2024
Real estate investments:		
Thrive Creekside UW, LLC	67.00 %	67.00 %
Northern Preferred Investors, LLC	56.78	56.78
Central Park Townhomes Preferred Investors, LLC	51.85	51.85
HH 170 UW, LLC - The Laramie	90.00	90.00
Mountain View Village, LLC	60.00	60.00
EB UW, LLC, Emberwood Apartments	84.50	84.50
307 S Walton Blvd Co-Investor I, LLC	69.30	69.30
3400 E Walnut Industrial Investor, LLC	24.10	24.10
4800 Chichester Industrial Investor, LLC	23.87	23.90
13636 N Columbia Industrial Investor	24.04	24.12
East Bethel Townhomes Preferred Investors LLC	51.85	-
Glenfield Blaine Investors LLC	41.58	-

**Note 6 - Bitcoin**

The Foundation holds 389.91 units of Bitcoin as of June 30, 2025 and 2024. As of June 30, 2025 and 2024, the Bitcoin had a fair value of \$42,015,050 and \$24,135,294, respectively, with a cost basis of \$12,000,000 based on cash paid to acquire those units. An average cost of the Bitcoin is used in determining gains and losses. There are no sale restrictions of the Bitcoin. Below is a summary of the Bitcoin activity for the years ended June 30, 2025 and 2024:

Beginning balance - June 30, 2024	\$ 24,135,294
Gain from remeasurement	17,879,756
Ending balance - June 30, 2025	\$ 42,015,050
Beginning balance - June 30, 2023	\$ 7,184,310
Impact of adoption of ASU No. 2023-08	4,664,571
Gain from remeasurement	12,286,413
Ending balance - June 30, 2024	\$ 24,135,294

**Note 7 - Contributions Receivable**

Contributions receivable represent promises to give that have been made by donors but have not yet been received by the Foundation. Contributions that will not be received in subsequent years have been discounted using an estimated rate of return, which could be earned if such contributions had been made in the current year.

June 30, 2025 and 2024

**Note 7 - Contributions Receivable (Continued)**

Total contributions receivable as of June 30 were as follows:

	2025	2024
Gross promises to give before unamortized discount	\$ 24,194,491	\$ 25,035,087
Less allowance for uncollectible contributions	(530,211)	(566,109)
Less allowance for net present value discount	(1,003,365)	(1,066,847)
Net contributions receivable	\$ 22,660,915	\$ 23,402,131
Amounts due in:		
Less than one year	\$ 15,350,736	\$ 14,121,840
One to five years	8,199,533	9,926,009
More than five years	644,222	987,238
Total	\$ 24,194,491	\$ 25,035,087

As of June 30, 2025 and 2024, there were no donor concentrations in contributions receivable. A discount rate of 4.24 percent and 4.36 percent as of June 30, 2025 and 2024, respectively, has been used in estimating the net present value of cash flows.

**Note 8 - Property and Equipment**

Property and equipment are summarized as follows:

	2025	2024
Land	\$ 3,525,995	\$ 3,525,995
Land improvements	32,388	32,388
Buildings - Marian H. Rochelle Gateway Center	30,252,337	30,252,337
Buildings - Misc. Grand Avenue properties	3,500,000	3,500,000
Furniture, fixtures, and other	5,145,749	5,116,379
Vehicles	15,897	15,897
Computers, equipment, and software	1,112,336	1,096,837
Digital asset mining equipment	35,491	1,719,558
Leasehold improvements	11,899	11,899
Right-of-use operating lease assets	141,135	52,639
Total cost	43,773,227	45,323,929
Accumulated depreciation	(12,898,111)	(12,905,513)
Net property and equipment	\$ 30,875,116	\$ 32,418,416

Depreciation expense for 2025 and 2024 was \$1,725,402 and \$1,303,941, respectively.

**Note 9 - Accounts Payable**

The current year accounts payable balance includes amounts owed to various departments and colleges of the University of Wyoming. All payables are expected to be paid within one year. As part of the efforts to comply with GASB Statement No. 39 reporting in the current year, the University recorded a receivable for these amounts. These amounts are immaterial to both 2025 and 2024.

June 30, 2025 and 2024

**Note 10 - Amounts Held for Others**

The Foundation acts as an investment manager for certain assets for the University of Wyoming, the Cowboy Joe Club, and various departments of the University of Wyoming. The investments held on the behalf of others are as follows:

	2025	2024
Cowboy Joe Club	\$ 6,672,398	\$ 6,284,118
UW - State match	194,982,414	179,258,783
UW - Endowments	171,539,688	163,424,117
Total	<u>\$ 373,194,500</u>	<u>\$ 348,967,018</u>

	Cowboy Joe Club	UW - State Match	UW - Endowments	Total
<b>Activity for the Year Ended June 30, 2024</b>				
July 1, 2023 balance	\$ 1,105,257	\$ 166,689,467	\$ 150,302,650	\$ 318,097,374
Additions	5,011,813	5,071,809	6,440,015	16,523,637
Transfers to UW	(48,815)	(5,854,993)	(5,373,443)	(11,277,251)
Investment return	215,867	13,362,035	11,646,722	25,224,624
Fees	(4)	-	(5,938)	(5,942)
Other	-	(9,535)	414,111	404,576
June 30, 2024 balance	<u>\$ 6,284,118</u>	<u>\$ 179,258,783</u>	<u>\$ 163,424,117</u>	<u>\$ 348,967,018</u>

	Cowboy Joe Club	UW - State Match	UW - Endowments	Total
<b>Activity for the Year Ended June 30, 2025</b>				
July 1, 2024 balance	\$ 6,284,118	\$ 179,258,783	\$ 163,424,117	\$ 348,967,018
Additions	400	8,454,664	432,841	8,887,905
Transfers to UW	(51,629)	(5,471,616)	(5,815,609)	(11,338,854)
Investment return	445,041	12,740,583	13,503,948	26,689,572
Fees	-	-	(5,609)	(5,609)
Other	(5,532)	-	-	(5,532)
June 30, 2025 balance	<u>\$ 6,672,398</u>	<u>\$ 194,982,414</u>	<u>\$ 171,539,688</u>	<u>\$ 373,194,500</u>

**Note 11 - Split-interest Agreements**

The Foundation is party to split-interest agreements with certain donors. These agreements include contracts entered into with certain donors from which the Foundation benefits. Under the agreements the donor has contributed funds to be held in trust, with the Foundation as the charitable beneficiary.

Under charitable remainder trusts, as a condition of the trust, the Foundation is required to pay an amount determined as a percentage of the market value of the trust assets each year to the donor(s) or another designated beneficiary until their death. Under charitable gift annuity arrangements, the Foundation is required to pay a fixed distribution of trust assets each year to the donor or another designated beneficiary until their death.

Obligations under the split-interest agreements represent the present value of future payments required be paid to the donors or other beneficiaries under the agreements. These obligations total \$5,492,882 and \$4,739,763 at June 30, 2025 and 2024, respectively.

**Note 11 - Split-interest Agreements (Continued)**

Upon the death of the beneficiaries, the remaining funds become the property of the Foundation. The fair values of the assets related to these agreements total \$10,967,967 and \$9,577,337 at June 30, 2025 and 2024, respectively, and are included in investments.

**Note 12 - Notes Payable and Lines of Credit**

On June 16, 2020, the Foundation purchased property located on Grand Avenue in Laramie, Wyoming, adjacent to the Marian H. Rochelle Gateway Center. The Foundation signed a promissory note as part of this purchase for \$5,600,000 with Sheaffer Place, LLC, with an interest rate of 3 percent, to be paid in 240 equal principal and interest payments beginning on August 1, 2020 until July 1, 2040. The purpose of the purchase is to hold said property until the University of Wyoming is ready to integrate the property into its master plan and make it a contiguous part of the overall university campus. In the meantime, the Foundation is renting the property to generate returns on the investment.

These obligations are scheduled to mature as follows:

Years Ending	Amount
2026	\$ 240,466
2027	247,781
2028	255,317
2029	263,083
2030	271,085
Thereafter	<u>3,239,275</u>
Total	<u>\$ 4,517,007</u>

**Note 13 - Net Assets**

Net assets without donor restrictions consist of the following as of June 30:

	2025	2024
Board-designated net assets:		
Endowment (Note 14)	\$ 12,991,478	\$ 11,951,680
Invested in property and equipment - Net of debt	<u>29,248,789</u>	<u>31,396,804</u>
Total board-designated net assets	42,240,267	43,348,484
Undesignated net assets	<u>29,647,986</u>	<u>40,978,168</u>
Total net assets without donor restrictions	<u>\$ 71,888,253</u>	<u>\$ 84,326,652</u>

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2025	2024
Subject to expenditures for specified purposes to benefit the University	\$ 65,026,562	\$ 61,584,293
Subject to the Foundation's spending policy and appropriation from the endowment (Note 14)	<u>522,453,704</u>	<u>468,668,290</u>
Total	<u>\$ 587,480,266</u>	<u>\$ 530,252,583</u>

**Note 14 - Donor-restricted and Board-designated Endowments**

Total managed endowments at the Foundation were \$857,427,086 and \$778,878,622 at June 30, 2025 and 2024, respectively. Included in these totals were custodial endowments totaling \$347,598,365 and \$325,030,952 at June 30, 2025 and 2024, respectively.

**Note 14 - Donor-restricted and Board-designated Endowments (Continued)**

The managed endowments at June 30, 2025 and 2024 consisted of 1,916 and 1,813 funds, respectively, established for a variety of purposes. The Foundation's endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. Net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Foundation is subject to the State of Wyoming's Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of directors appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of directors of the Foundation had interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, 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
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Endowment Net Asset Composition by Type of Fund  
as of June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 12,991,478	\$ -	\$ 12,991,478
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	352,623,221	352,623,221
Accumulated investment gains	-	169,830,483	169,830,483
<b>Total</b>	<b>\$ 12,991,478</b>	<b>\$ 522,453,704</b>	<b>\$ 535,445,182</b>

Notes to Financial Statements

June 30, 2025 and 2024

**Note 14 - Donor-restricted and Board-designated Endowments (Continued)**

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	\$ 11,951,680	\$ 468,668,290	\$ 480,619,970
Investment return (loss):			
Investment income	1,047,624	48,176,373	49,223,997
Manager and administrative fees	(152,253)	(7,067,847)	(7,220,100)
Assessments	-	(9,771,032)	(9,771,032)
Total investment return	895,371	31,337,494	32,232,865
Contributions	-	28,705,427	28,705,427
Appropriation of endowment assets for expenditure	-	(15,902,631)	(15,902,631)
Designations	144,427	-	144,427
Other transfers	-	9,645,124	9,645,124
Endowment net assets - End of year	<u>\$ 12,991,478</u>	<u>\$ 522,453,704</u>	<u>\$ 535,445,182</u>
	Endowment Net Asset Composition by Type of Fund as of June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 11,951,680	\$ -	\$ 11,951,680
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	326,100,284	326,100,284
Accumulated investment gains	-	142,568,006	142,568,006
Total	<u>\$ 11,951,680</u>	<u>\$ 468,668,290</u>	<u>\$ 480,619,970</u>
	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	\$ 22,967,264	\$ 426,111,338	\$ 449,078,602
Cumulative effect of change in accounting	-	4,664,571	4,664,571
Investment return (loss):			
Investment income	811,457	48,348,606	49,160,063
Manager and administrative fees	(109,958)	(5,743,056)	(5,853,014)
Assessments	-	(9,806,013)	(9,806,013)
Total investment return	701,499	32,799,537	33,501,036
Contributions	-	15,963,685	15,963,685
Appropriation of endowment assets for expenditure	-	(10,870,841)	(10,870,841)
Release of designation	(11,717,083)	-	(11,717,083)
Endowment net assets - End of year	<u>\$ 11,951,680</u>	<u>\$ 468,668,290</u>	<u>\$ 480,619,970</u>

**Note 14 - Donor-restricted and Board-designated Endowments (Continued)**

***Underwater Endowment Funds***

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. Effective February 2023, if the fair value of an endowment falls below 80 percent of the fund's original gift value, expenditures will be suspended from the fund until the fund's fair market value equals or exceeds 80 percent of the original gift value. Deficiencies of this nature exist in 15 donor-restricted endowment funds, which together have an original gift value of \$3,414,419, a current fair value of \$3,370,589, and a deficiency of \$43,830 as of June 30, 2025. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the board of directors.

As of June 30, 2024, deficiencies of this nature existed in 45 donor-restricted endowment funds, which together had an original gift value of \$9,070,934, a current fair value of \$8,704,327, and a deficiency of \$366,607.

***Return Objectives and Risk Parameters***

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period, as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to achieve a return of 9 and 7 percent, net of inflation and investment expenses, for the years ended June 30, 2025 and 2024, respectively. The secondary investment objective is to earn a total return, net of expenses, at least equal to the portfolio's composite benchmark, as defined in its investment policy statement. Actual returns in any given year may vary from this amount.

***Strategies Employed for Achieving Objectives***

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). With consultation from its investment consultant, the Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Foundation's governing board meets at least once quarterly and more often, if needed, to discuss investment matters to ensure the best possible return, consistent with the preservation of principal, is achieved.

***Expenditure Policy and How the Investment Objectives Relate to Payout Policy***

The Foundation's board has adopted a expenditure policy that makes funds available for appropriation based on a calculation that uses 40 percent spending rate based the December market value and 60 percent based on the prior year distribution, with an inflationary adjustment. The effective spending rate of the December market value was 4.0 percent as of June 30, 2025 and 2024. The effective inflationary rate was 4.0 percent as of June 30, 2025 and 2024. In establishing this policy, the Foundation considered the long-term expected rate of return on its endowment. Accordingly, over the long term, the Foundation expects the current expenditure policy to allow its endowment to grow.

**Note 15 - Related Party Transactions**

The Foundation is a strategic partner of the University of Wyoming and transacts with the University during the ordinary course of business. Transactions with the University and other related parties controlled by the University include all transactions related to amounts held for others (see Note 10) and all program services expenses shown on the statement of activities and changes in net assets.