

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
(A COMPONENT UNIT OF EASTERN ILLINOIS UNIVERSITY)**

**FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2025 AND 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Eastern Illinois University Foundation  
Charleston, Illinois

### **Report on the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Eastern Illinois University Foundation, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eastern Illinois University 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) and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Eastern Illinois University 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 opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Eastern Illinois University Foundation's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government 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 Eastern Illinois University 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 Eastern Illinois University Foundation's ability to continue as a going concern for a reasonable period of time.

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

Board of Directors  
Eastern Illinois University Foundation

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2025, on our consideration of Eastern Illinois University Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Eastern Illinois University Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Eastern Illinois University Foundation's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Peoria, Illinois  
October 30, 2025



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Eastern Illinois University Foundation  
Charleston, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Eastern Illinois University Foundation which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 30, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Eastern Illinois University Foundation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Eastern Illinois University Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of Eastern Illinois University Foundation's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

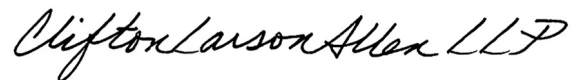
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Eastern Illinois University Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Peoria, Illinois  
October 30, 2025

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

	2025	2024
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 19,649,022	\$ 21,165,803
Other Receivables	6,760	4,379,521
Grain Inventory	17,130	11,159
Prepaid Expenses	194,532	78,743
Pledges Receivable	1,803,352	308,754
Investments	122,276,502	110,674,366
Investment in Real Estate	7,578,546	3,354,546
Assets Held Under Split-Interest Agreements	190,639	209,173
Beneficial Interest in Split-Interest Agreements	3,104,884	2,947,562
Beneficial Interest in Trusts	1,848,126	1,772,071
Property and Equipment, Net	1,643,637	1,683,085
Cash Surrender Value of Life Insurance	48,004	46,228
	<u>\$ 158,361,134</u>	<u>\$ 146,631,011</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Other Liabilities	\$ 49,677	\$ 158,351
Deferred Revenue	18,209	27,995
Obligations Under Split-Interest Agreements	80,435	80,697
Total Liabilities	<u>148,321</u>	<u>267,043</u>
<b>NET ASSETS</b>		
Without Donor Restrictions	7,641,613	6,962,575
With Donor Restrictions	150,571,200	139,401,393
Total Net Assets	<u>158,212,813</u>	<u>146,363,968</u>
Total Liabilities and Net Assets	<u>\$ 158,361,134</u>	<u>\$ 146,631,011</u>

See accompanying Notes to Financial Statements.



**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE, SUPPORT, AND GAINS</b>			
Contributions	\$ 6,168	\$ 6,542,932	\$ 6,549,100
Special Events	-	44,043	44,043
Investment Income, Net of Fees	166,174	4,233,438	4,399,612
Realized and Unrealized Gains on Investments	50,065	9,857,526	9,907,591
Change in Value of Split Interest Agreements	-	480,181	480,181
Service Contract With University	206,147	-	206,147
Other Operating Revenue	66,402	41,694	108,096
Net Assets Released from Restrictions	10,030,007	(10,030,007)	-
Total Revenue, Support, and Gains	10,524,963	11,169,807	21,694,770
<b>EXPENSES</b>			
Program Services	9,039,995	-	9,039,995
Management and General	767,947	-	767,947
Fundraising	37,983	-	37,983
Total Expenses	9,845,925	-	9,845,925
<b>CHANGE IN NET ASSETS</b>	679,038	11,169,807	11,848,845
Net Assets - Beginning of Year	6,962,575	139,401,393	146,363,968
<b>NET ASSETS - END OF YEAR</b>	\$ 7,641,613	\$ 150,571,200	\$ 158,212,813

See accompanying Notes to Financial Statements.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE, SUPPORT, AND GAINS</b>			
Contributions	\$ 5,051	\$ 14,264,024	\$ 14,269,075
Investment Income, Net of Fees	161,741	4,025,631	4,187,372
Realized and Unrealized Gains on Investments	36,935	6,914,223	6,951,158
Change in Value of Split Interest Agreements	-	276,697	276,697
Service Contract With University	129,853	-	129,853
Other Operating Revenue	62,612	85,009	147,621
Net Assets Released from Restrictions	<u>5,416,462</u>	<u>(5,416,462)</u>	<u>-</u>
Total Revenue, Support, and Gains	5,812,654	20,149,122	25,961,776
<b>EXPENSES</b>			
Program Services	4,553,909	-	4,553,909
Management and General	585,456	-	585,456
Fundraising	33,933	-	33,933
Total Expenses	<u>5,173,298</u>	<u>-</u>	<u>5,173,298</u>
<b>CHANGE IN NET ASSETS</b>	639,356	20,149,122	20,788,478
Net Assets - Beginning of Year	<u>6,323,219</u>	<u>119,252,271</u>	<u>125,575,490</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 6,962,575</u>	<u>\$ 139,401,393</u>	<u>\$ 146,363,968</u>

See accompanying Notes to Financial Statements.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2025**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Scholarship Awards	\$ 2,798,402	\$ -	\$ -	\$ 2,798,402
Personnel Services	19,408	388,944	29,070	437,422
Occupancy	7,642	42,849	5,459	55,950
Professional Fees	-	195,732	-	195,732
Software Licensing and Maintenance	63,578	-	-	63,578
Telephone Expense	-	12,974	-	12,974
Supplies	-	4,882	-	4,882
Postage	-	8,073	-	8,073
Printing	-	7,097	-	7,097
Dues, Subscriptions, and Promotions	-	14,540	-	14,540
Meetings and Receptions	-	44,589	-	44,589
Insurance	2,294	13,174	1,639	17,107
Grants to University	6,146,131	-	-	6,146,131
Depreciation	2,540	35,093	1,815	39,448
	<u>\$ 9,039,995</u>	<u>\$ 767,947</u>	<u>\$ 37,983</u>	<u>\$ 9,845,925</u>
Total Expenses by Function				
Functional Expense Percentage	91.8%	7.8%	0.4%	100.0%

See accompanying Notes to Financial Statements.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2024**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Scholarship Awards	\$ 1,999,311	\$ -	\$ -	\$ 1,999,311
Personnel Services	16,611	311,880	22,294	350,785
Occupancy	8,225	46,187	5,875	60,287
Professional Fees	-	107,251	-	107,251
Software Licensing and Maintenance	31,998	-	-	31,998
Telephone Expense	-	16,824	3,588	20,412
Supplies	-	3,002	-	3,002
Postage	-	5,812	-	5,812
Printing	-	7,942	-	7,942
Dues, Subscriptions, and Promotions	-	7,246	-	7,246
Meetings and Receptions	-	30,522	-	30,522
Insurance	782	13,223	559	14,564
Grants to University	2,494,718	-	-	2,494,718
Depreciation	2,264	35,567	1,617	39,448
	<u>\$ 4,553,909</u>	<u>\$ 585,456</u>	<u>\$ 33,933</u>	<u>\$ 5,173,298</u>
Total Expenses by Function				
Functional Expense Percentage	88.0%	11.3%	0.7%	100.0%

See accompanying Notes to Financial Statements.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Contributions, Gifts, and Pledges	\$ 7,961,172	\$ 3,150,777
Special Events	44,043	-
Payments of Scholarships and Grants/Awards to Others	(2,783,762)	(1,979,110)
Payments to Suppliers, Vendors, and Others	(894,900)	(470,504)
Grants to the University	(6,146,131)	(2,494,718)
Other Receipts	108,096	147,622
Net Cash Used by Operating Activities	(1,711,482)	(1,645,933)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds From the Sale of Investments	6,845,032	5,267,184
Earnings On Investments, Net of Investment Expense	2,201,095	4,519,165
Purchase of Investments, Including Reinvested Income	(10,294,254)	(12,368,834)
Net Cash Used by Investing Activities	(1,248,127)	(2,582,485)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Private Gifts For Endowment Purposes	1,456,305	6,741,812
Payments to Annuitants	(13,477)	(14,396)
Net Cash Provided by Financing Activities	1,442,828	6,727,416
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,516,781)	2,498,998
Cash and Cash Equivalents - Beginning of Year	21,165,803	18,666,805
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 19,649,022	\$ 21,165,803
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 11,848,845	\$ 20,788,478
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation Expense	39,448	39,448
Investment Income (Net of Fees)	(4,399,612)	(4,187,371)
Realized and Unrealized Gains on Investments	(9,907,591)	(6,951,158)
Change in Split Interest Agreements	(480,181)	(276,697)
Private Gifts For Endowment Purposes	(1,456,305)	(6,741,812)
Changes in Operating Assets and Liabilities:		
Other Receivables	4,372,761	(4,360,020)
Pledges Receivable	(1,494,598)	(21,570)
Prepaid Expenses	(115,789)	(37,622)
Accounts Payable	(108,674)	97,286
Deferred Revenue	(9,786)	5,105
Net Cash Used by Operating Activities	\$ (1,711,482)	\$ (1,645,933)

See accompanying Notes to Financial Statements.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The Eastern Illinois University Foundation (the Foundation), located in Charleston, Illinois, was incorporated under the laws of the State of Illinois as a nonprofit organization. The primary function of the Foundation is to assist in developing and increasing the facilities of Eastern Illinois University for broader educational opportunities for its students, alumni, and citizens of the State of Illinois by encouraging gifts of money, property, works of art, and other materials having educational, artistic, or historical value. These gifts are to be administered with the primary objective of serving purposes other than those for which the State of Illinois ordinarily makes sufficient appropriations.

**Financial Reporting Entity**

The Foundation is a component unit of Eastern Illinois University, and the Foundation's financial statements are also included as part of Eastern Illinois University's financial statements and the State of Illinois Comprehensive Annual Financial Report.

**Method of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Basis of Presentation**

The financial statement presentation follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 *Not-for-Profit Entities*. Under FASB ASC 958, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets with donor restrictions can be temporary in nature, which includes contributed net assets for which donor-imposed time and/or purpose restrictions have not been met. Other donor-imposed restrictions are permanent in nature, which includes contributed net assets which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the Illinois Funds are considered cash equivalents.

**Investments**

The Foundation is authorized by the board of directors to invest funds in compliance with stated investment policies. Investments are carried at their fair value, as determined by quoted market prices for investments that have readily available fair value. For investments for which a readily determinable fair value does not exist (e.g. private equities and alternative investments), the investments are valued at estimated fair values based on information provided by the fund managers. Because of the inherent uncertainty of valuation relating to the Foundation's investments in investee funds and their underlying investments, the estimate of fair value may differ from the values that would have been used had a ready market existed.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments (Continued)**

If a donor has not provided specific instructions, Illinois Compiled Statutes (760 ILCS 51/4) permits the board of directors to authorize for expenditure the net appreciation (realized and unrealized) of the investments of endowment funds. When administering its power to spend net appreciation, the board of directors is required to consider the Foundation's long-term and short-term needs, present and anticipated financial requirements, expected total return on its investments, price-level trends, and general economic conditions. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established.

The long-term objective of the endowment funds, as determined by the board of directors, is to achieve a total return in excess of its current spending rate policy over a twenty-year time horizon. The current rate of the spending rate policy is 5% per year, comprised of a 4.25% spending rate and 0.75% for administrative expenses. In addition to achieving the 5% spending rate policy, the policy asset allocation is designed to cover the costs of inflation, investment management/consulting fees, and other related costs. The spending allowance calculation is determined by taking the spending rate (currently 5%) times the investment portfolio's trailing twelve-quarter average market value, as of June 30th of each year. Any remaining return over the 5% spending rate will be retained for use in future years.

The Foundation maintains pooled investment accounts for its endowments and charitable gift annuities. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments and charitable gift annuities based on the relationship of the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts.

**Receivables**

Unconditional promises to give (pledges) are recorded as an asset and contribution in the period in which they are received. Conditional promises to give are recorded in the period in which conditions have been met or it is deemed that it is remote that the condition will not be met. Matching gift expectancies are not accrued as receivable but are recognized upon receipt.

Promises to give that are collectable beyond one year are recorded at fair value of their estimated future cash flows. Pledges have been adjusted for all known uncollectible amounts and no allowance for credit losses is considered necessary as of June 30, 2025 and 2024.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Split-Interest Agreements**

Split-interest agreements are valued at fair value at the time of donation with a corresponding liability recorded for the present value of the expected payments due to the donors or third-party beneficiaries with the difference recorded as contributions in the net asset type based on the donor's restriction. On an annual basis, the Foundation revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. Adjustments to reflect the present value of the estimated annuity payments and changes in actuarial assumptions are included in the statements of activities.

**Beneficial Interest in Split-Interest Agreements**

The Foundation is the beneficiary of certain split-interest agreements held by independent trustees. Contribution revenue is recognized at the date a trust has been established with an initial valuation based on the expected present value of the Foundation's interest in a trust's assets. Present value computations consider, among other factors, appropriate interest rates and estimated donor mortality which are assessed annually for reasonableness. Subsequent to initial valuation, changes are recognized separately in the statements of activities.

**Beneficial Interest in Trusts**

The Foundation recognizes beneficial interest in trusts as contribution income upon receipt based on the Foundation's share of fair value of the underlying trust assets. Subsequent to initial contribution recognition, changes in fair value of the underlying trust assets are recognized separately in the statements of activities.

**Property and Equipment**

Property and equipment are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. The Foundation's capitalization threshold for property and equipment is as follows: equipment \$5,000 or greater, land \$100,000 or greater, buildings \$100,000 or greater, and building improvements \$25,000 or greater.

Renovations to buildings and equipment that significantly increase the value or extend the useful life of the asset are capitalized in accordance with the capitalization policy described above. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 15 to 20 years for building improvements and 4 to 7 years for equipment.



**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Impairment of Long-Lived Assets**

The Foundation reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an 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 fair market value of the assets. Assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

**Cash Surrender Value of Life Insurance**

Cash surrender value of life insurance represents the surrender value of insurance policies where donors have transferred ownership of the policies to the Foundation, and the Foundation is named as beneficiary. Life insurance policies are carried at net cash surrender value. Changes in value (realized and unrealized) are recorded in the statements of activities.

**Panther Club**

The purpose of the Panther Club, a division of the Foundation, is to raise funds for the University's Athletic Department. The amounts raised are recorded as gifts. The costs of the Panther Club are paid through its fund-raising activities.

**Revenue Recognition**

Revenue from contracts with customers is recognized when the services are performed in an amount that reflects the consideration expected to be entitled in exchange for these services.

The timing of revenue recognition, billings, and cash collections can result in receivables, contract assets, and contract liabilities. Accounts receivable are recorded when the right to consideration becomes unconditional and are presented separately in the statements of financial position. The Foundation does not have significant contract assets or liabilities.

The following describes the Foundation's significant revenue streams:

*Contributions:*

Contributions are recognized at fair value in the period in which the pledges are made. Contributions are distinguished between those that increase net assets with donor restrictions and without donor restrictions. Net assets with donor restrictions result from donor restrictions that the contributions are to be used for restricted purposes. When the restriction has been met, the net assets with donor restrictions are released to net assets without donor restrictions.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition (Continued)**

*Contributions (Continued):*

Real estate and other objectively measurable assets that are available for financial support are recorded at their fair value at the date of contribution. Nonmonetary assets, art objects, equipment, and various services contributed directly to Eastern Illinois University through the Foundation for direct benefit of an Eastern Illinois University department are not included in the financial statements, although donors receive recognition for such contributions.

The value of contributed services of a number of volunteers is not reflected in the financial statements since the services are not specialized services that would otherwise be purchased.

*Special Events:*

Special event revenue consists of the income raised from special fundraising events. Revenue for special events is recognized during the fiscal year for which the event is held. The remaining special event revenue for events to be held in future fiscal years are deferred and then recognized in the fiscal year for which that event will take place.

*Service Contract with University:*

The Foundation has an agreement with Eastern Illinois University to receive, hold and administer gifts of property, real or personal, financial or otherwise, to be used for and on behalf of Eastern Illinois University, its faculty, students and staff in accordance with the terms specified by the donor. The University provides the Foundation with in-kind services in an amount not to exceed the Foundation's cost of coordinating these activities.

**Fair Value of Financial Instruments**

The carrying amounts of cash and cash equivalents and accounts payable and other liabilities approximate fair value due to the short maturity of these financial instruments. Receivables are initially recorded at fair value using an appropriate discount rate and approximate fair value at year-end. Investments, assets held under split-interest agreements, beneficial interest in split-interest agreements, beneficial interest in trusts, and obligations under split-interest agreements are carried at fair value.

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

**Income Taxes**

The Foundation is a nonprofit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private Foundation.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounting for Uncertain Tax Positions**

The Foundation accounts for uncertainty in income taxes in accordance with FASB ASC 740-10, which provides guidance for the financial statement recognition, measurement, and disclosure of uncertain tax positions when it is more likely than not that the positions will be sustained upon examination of tax authorities.

The Foundation files informational returns in the U.S. federal jurisdiction and the State of Illinois. The Foundation's federal and state informational returns are subject to possible examination by the regulatory authorities until the related statutes of limitations on those information returns have expired. The Foundation is not currently under an examination by those regulatory authorities. As of June 30, 2025, the Foundation has no unrecognized tax benefits.

**Functional Expense Allocation**

The financial statements report certain categories of expenses that are attributable to program or supporting functions of the Foundation. The Foundation uses a percentage of time spent on the direct conduct or supervision of programs that fulfill the Foundation's mission compared to the time spent on administrative duties to allocate salaries. Depreciation and insurance expenses are allocated based on the percentage of the employee's time spent on the direct conduct or supervision of program services. All other program and supporting service allocations are determined by management on an equitable basis.

**Subsequent Events**

Management has considered subsequent events occurring through October 30, 2025, which is the date these financial statements were available to be issued. Management believes no such events require any additional disclosures.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 2 CONCENTRATION OF CREDIT RISK**

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned. The Foundation's cash and cash equivalents on the statements of financial position total \$19,649,022 and \$21,165,803 at June 30, 2025 and 2024, respectively. The cash deposits are held with Eastern Illinois University, with the majority of the cash balances being held with The Illinois Funds. Investments in The Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Foundation's fair value of the pool.

Carrying amount of cash and cash equivalents at June 30:

	<u>2025</u>	<u>2024</u>
Unrestricted Cash and Cash Equivalents	\$ 1,419,411	\$ 1,356,875
Restricted Cash and Cash Equivalents	<u>18,229,611</u>	<u>19,808,928</u>
Total	<u>\$ 19,649,022</u>	<u>\$ 21,165,803</u>

**NOTE 3 INVESTMENTS**

Investments at June 30, consisted of the following:

	<u>2025</u>	<u>2024</u>
Cash and Cash Equivalents (Money Market Mutual Funds)	\$ 1,777,702	\$ 4,867,254
Investments Administered By Charles Schwab & Co., Inc.:		
Open Ended Mutual Bond Funds	14,536,009	13,637,831
Open Ended Mutual Equity Funds	35,053,089	31,871,235
Corporate Equity - Student Investment	502,859	376,232
Alternative Investments	70,597,483	60,130,987
Cash Surrender Value of Life Insurance	48,004	46,228
Investment in Real Estate	7,578,546	3,354,546
Beneficial Interest in Trusts	1,848,126	1,772,071
Beneficial Interest in Split-Interest Agreements	<u>3,104,884</u>	<u>2,947,562</u>
Total	<u>\$ 135,046,702</u>	<u>\$ 119,003,946</u>

Total investment return is comprised of the following at June 30:

	<u>2025</u>	<u>2024</u>
Interest and Dividends	\$ 4,808,732	\$ 4,536,796
Investment Fees	(409,120)	(349,424)
Realized and Unrealized Investment Gains	<u>9,907,591</u>	<u>6,951,158</u>
Net Investment Gain	<u>\$ 14,307,203</u>	<u>\$ 11,138,530</u>

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 ASSETS HELD AND OBLIGATIONS UNDER SPLIT-INTEREST AGREEMENTS**

Split-interest agreements are agreements where donors enter into a trust or other arrangement under which the Foundation is the beneficiary. Charitable gift annuities are agreements in which the Foundation accepts a contribution and agrees to an obligation to make periodic stipulated payments to donors or third-party beneficiaries of a specified time. Charitable lead trust are agreements in which the Foundation accepts contribution and receives all income generated by the investment during the life of the donor. Upon death of the donor, the annuity is then transferred to the beneficiary.

On an annual basis, the Foundation revalues the liability to make distributions to the designed beneficiaries based on actuarial assumptions. Adjustments to reflect the present value of the estimated annuity payments and changes in actuarial assumptions are included in the statements of activities. The present value of estimated future payments is calculated using an actuarial discount rate and applicable mortality tables.

Assets held under split-interest agreements consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Charitable Remainder Trust:		
Cash and Cash Equivalents (Money Market Mutual Funds)	\$ 2,394	\$ 2,325
Mutual Equity Funds	117,125	105,114
Mutual Bond Funds	<u>27,672</u>	<u>28,809</u>
Total Charitable Remainder Trust	147,191	136,248
Charitable Gift Annuities:		
Cash and Cash Equivalents (Money Market Mutual Funds)	4,712	10,316
Mutual Bond Funds	19,613	31,437
Mutual Equity Funds	<u>19,123</u>	<u>31,172</u>
Total Charitable Gift Annuities	<u>43,448</u>	<u>72,925</u>
Total Assets Held Under Split-Interest Agreements	<u>\$ 190,639</u>	<u>\$ 209,173</u>

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 5 BENEFICIAL INTEREST IN TRUSTS**

As of June 30, 2025 and 2024, the Foundation has recorded its beneficial interest in two charitable trusts. In one of the trusts, the Foundation has a one-quarter interest in the earnings of the trust and the Foundation has a one-sixth interest in the earnings of the other trust.

The beneficial interest in the trusts is valued at the lower of the fair value of the underlying assets or the estimated value of the expected future cash flows. The value of these interests are \$1,848,126 and \$1,772,071 at June 30, 2025 and 2024, respectively. The trustee does not have variance power to redirect the interest in the trust to other entities. The net increase (decrease) in the value of the beneficial interest in trust totaled \$76,055 and \$(11,518) for the years ended June 30, 2025 and 2024, respectively.

**NOTE 6 BENEFICIAL INTEREST IN SPLIT-INTEREST AGREEMENTS**

The Foundation has been named the beneficiary of one charitable lead unitrust and three charitable remainder trusts which are managed by third parties. Under the terms of the charitable lead unitrust, the third-party trustee pays 8% of the fair market value of the trust at December 31, annually, to eight organizations, of which the Foundation receives 20.125% of this annual distribution, during the agreement's terms.

The Foundation is the beneficiary of a 5% interest of two of the charitable remainder trusts' assets. The value of these interest are \$3,104,884 and \$2,947,562 at June 30, 2025 and 2024, respectively. Upon the death of the survivor beneficiary, both of the charitable remainder unitrusts will mature and these assets will be distributed to the Foundation. The third charitable remainder unitrust has the Foundation listed as the sole beneficiary upon the death of the surviving beneficiary. The net increase in the value of the split-interest agreements totaled \$157,322 and \$51,763 for the years ended June 30, 2025 and 2024, respectively.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 7 FAIR VALUE MEASUREMENTS**

The Foundation follows FASB ASC 820-10 *Fair Value Measurements*, which provides a framework for measuring fair value under accounting principles generally accepted in the United States of America. FASB ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. FASB ASC 820-10 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. FASB ASC 820-10 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels as described below.

*Level 1* – Inputs to the valuation methodology derived from unadjusted quoted prices for identical assets or liabilities in active markets.

*Level 2* – Other observable inputs including quoted prices for similar assets or liabilities in active or inactive markets, and inputs that are principally derived from or corroborated by observable market data by correlation or other means.

*Level 3* – Inputs to the valuation methodology which are unobservable and significant to the fair value measurements. These inputs are only used when Level 1 or Level 2 inputs are not available.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
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**JUNE 30, 2025 AND 2024**

**NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)**

During fiscal years 2025 and 2024, there were no changes in valuation techniques that would have a significant impact on the results.

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>June 30, 2025</u>				
Investments by Fair Value Level:				
Money Market Mutual Funds	\$ 1,770,736	\$ 1,770,736	\$ -	\$ -
Mutual Bond Funds	14,488,621	14,488,621	-	-
Mutual Equity Funds	34,916,803	34,916,803	-	-
Common Stocks	502,859	502,859	-	-
Total Investments by Fair Value Level	51,679,019	<u>\$ 51,679,019</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at the Net Asset Value (NAV):				
Diversifying Strategies Composite	11,993,238			
Emerging Markets Composite	4,953,027			
Hedged Equity Composite	6,009,516			
International Developed Composite	7,807,598			
Private Equity and Debt	17,583,961			
Private Real Assets Composite	4,896,105			
Public Credit Composite	1,517,614			
Public Real Assets Composite	4,451,005			
U.S. Equity Composite	11,385,419			
Total Investments Measured at the NAV	<u>70,597,483</u>			
Total Investments	<u>\$ 122,276,502</u>			
Assets Held Under Split-Interest Agreements				
Measured at Fair Value:				
Money Market Mutual Funds	\$ 7,106			
Mutual Bond Funds	47,285			
Mutual Equity Funds	136,248			
Total	<u>\$ 190,639</u>			
Beneficial Interests in Trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,848,126</u>
Beneficial Interests in Split-Interest Agreements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,104,884</u>
Obligations Under Split-Interest Agreements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (80,435)</u>



**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)**

	Fair Value	Level 1	Level 2	Level 3
<u>June 30, 2024</u>				
Investments by Fair Value Level:				
Money Market Mutual Funds	\$ 4,854,613	\$ 4,854,613	\$ -	\$ -
Mutual Bond Funds	13,577,585	13,577,585	-	-
Mutual Equity Funds	31,734,949	31,734,949	-	-
Common Stocks	376,232	376,232	-	-
Total Investments by Fair Value Level	50,543,379	<u>\$ 50,543,379</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at the Net Asset Value (NAV):				
Diversifying Strategies Composite	10,633,602			
Emerging Markets Composite	4,422,372			
Hedged Equity Composite	4,673,172			
International Developed Composite	6,535,285			
Private Equity and Debt	15,790,655			
Private Real Assets Composite	1,316,596			
Public Credit Composite	2,355,489			
Public Real Assets Composite	3,780,478			
U.S. Equity Composite	10,623,338			
Total Investments Measured at the NAV	60,130,987			
Total Investments	\$ 110,674,366			
Assets Held Under Split-Interest Agreements				
Measured at Fair Value:				
Money Market Mutual Funds	\$ 12,641			
Mutual Bond Funds	49,894			
Mutual Equity Funds	146,638			
Total	\$ 209,173			
Beneficial Interests in Trusts	\$ -	\$ -	\$ -	\$ 1,772,071
Beneficial Interests in Split-Interest Agreements	\$ -	\$ -	\$ -	\$ 2,947,562
Obligations Under Split-Interest Agreements	\$ -	\$ -	\$ -	\$ (80,697)

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)**

The investments classified as Level 3 in the fair value hierarchy use unobservable inputs such as discount rates, the time period of the trust, and value of underlying assets. See Notes 4, 5, and 6 for further description on how these assets are valued.

**Investments Measured at the Net Asset Value (NAV)**

In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

As part of the Foundation's investment portfolio, there are investments in entities in which purchases and withdrawals within these entities are not made in an open market. Instead, the purchases and withdrawals occur with the entities, and in certain circumstances, those transactions are entirely controlled and/or restricted by the entity. The fair value of these investments is determined by the management of the entities and is reported to the Foundation as the Foundation's proportionate share of the net asset fair value of the entity.

The tables below provide information relative to these types of investments. The additional information that follows the tables provides information associated with these investments. None of the investments are probable of being sold at an amount different from net asset value per share.

For the investments shown below, the Foundation is not able to redeem the investments until the termination date of the fund. As such, there is no redemption frequency or redemption notice period shown below. This termination date is estimated as most funds have an option of extending the fund for an additional period of time, if needed or desired.

Category	Fair Value		Unfunded Commitments at June 30, 2025	Maturity Date at June 30, 2025			
	2025	2024		Less Than 1 Year or No Maturity	1-5 Years	6-10 Years	Over 10 Years
Private Equity and Debt	\$ 17,583,961	\$ 15,790,655	\$ 11,542,814	\$ 217,787	\$ 9,743,526	\$ 6,802,976	\$ 819,672
Private Real Assets Composite	4,896,105	1,316,596	1,381,992	4,767	-	2,727,711	2,163,627
Total	<u>\$ 22,480,066</u>	<u>\$ 17,107,251</u>	<u>\$ 12,924,806</u>	<u>\$ 222,554</u>	<u>\$ 9,743,526</u>	<u>\$ 9,530,687</u>	<u>\$ 2,983,299</u>

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Investments Measured at the Net Asset Value (NAV) (Continued)**

The following investments are also valued at the Foundation's proportionate share of the net asset value of the entity. However, these funds are liquid and can be redeemed with the required notification period.

Category	Fair Value		Redemption Frequency	Redemption Notice Period
	2025	2024		
Diversifying Strategies Composite	\$ 5,830,008	\$ 5,195,553	Monthly	0 Days
Diversifying Strategies Composite	6,163,230	5,438,049	Quarterly	65 Days
Emerging Markets Composite	4,953,027	4,422,372	Quarterly	45 Days
Hedged Equity Composite	6,009,516	4,673,172	Quarterly	45 Days
International Developed Composite	7,807,598	6,535,285	Daily	5 Days
Public Credit Composite	1,517,614	2,355,489	Quarterly	90 Days
Public Real Assets Composite	4,451,005	3,780,478	Monthly	5 Days
U.S. Equity Composite	11,385,419	10,623,338	Monthly	10 Days
Total	<u>\$ 48,117,417</u>	<u>\$ 43,023,736</u>		

**Diversifying Strategies Composite** - Includes allocations to alternative investment strategies designed to provide returns with low correlation to traditional equity and fixed income markets. Strategies may include hedge funds, absolute return, or other non-traditional approaches.

**Emerging Markets Composite** - Represents investments in equity securities of companies located in or deriving a majority of revenues from emerging and frontier markets, offering exposure to higher-growth economies.

**Hedged Equity Composite** - Consists of managers with equity-oriented strategies that use hedging techniques, such as short positions or options, to reduce downside risk while maintaining equity market participation.

**International Developed Composite** - Represents investments in equity securities of companies located in developed markets outside the United States, providing global diversification across Europe, Asia, and other developed regions.

**Private Equity and Debt** - Includes commitments to private market funds focused on direct equity ownership and private credit strategies, seeking to generate long-term capital appreciation and income.

**Private Real Assets Composite** - Consists of private investments in real estate, infrastructure, and natural resources, providing exposure to long-lived assets with potential for income generation and inflation protection.

**Public Credit Composite** - Represents allocations to publicly traded fixed income securities, including investment grade, high yield, and opportunistic credit strategies, designed to generate income and preserve capital.

**Public Real Assets Composite** - Includes investments in publicly traded real estate investment trusts (REITs), infrastructure, and natural resource securities, providing liquid exposure to real assets.

**U.S. Equity Composite** - Represents investments in equity securities of U.S.-based companies across the market capitalization spectrum such as large, mid, small and microcap, providing core exposure to domestic equity markets.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 8 INVESTMENTS IN REAL ESTATE**

Gifts of real property received by the Foundation are valued and recorded based on the current fair value on the date received. Values are determined from publications, appraisals and other sources that assist in establishing a fair value. Investments in real estate consist of the following at June 30:

	2025	2024
Land Held for Restricted Purposes	\$ 45,546	\$ 45,546
Land Held in Endowments	7,533,000	3,309,000
Total	\$ 7,578,546	\$ 3,354,546

**NOTE 9 LIQUIDITY**

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. In addition, the Foundation receives support without donor restrictions which are used for program funding needs.

The Foundation invests cash in excess of daily requirements in various investments. The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted and board-designated (quasi) endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing and major to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses, and grants to Eastern Illinois University commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation's financial assets available within one year of the statement of financial position date are as follows at June 30:

	2025	2024
Cash and Cash Equivalents	\$ 19,649,022	\$ 21,165,803
Other Receivables	6,760	50,769
Pledge Receivable	444,497	133,941
Short-Term Investments	2,054,704	2,046,735
Less Amounts with Donor or Other Contractual Restrictions	(20,145,711)	(21,480,562)
Total	\$ 2,009,272	\$ 1,916,686

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 10 PLEDGES RECEIVABLE**

Unconditional pledges receivable consists of the following at June 30:

	2025	2024
Gross Unconditional Pledges Receivable	\$ 2,022,511	\$ 318,789
Less: Unamortized Discount	(219,159)	(10,035)
Net Unconditional Pledges Receivable	\$ 1,803,352	\$ 308,754
Amounts Due in:		
Less Than One Year	\$ 430,507	\$ 133,941
One to Five Years	1,104,178	174,813
More than Five Years	268,667	-
Total	\$ 1,803,352	\$ 308,754

Unconditional pledges receivable due in more than one year are reflected at the present value of estimated future cash flows using discount rate of 3.25%.

Uncollectible amounts for unconditional pledges receivable are expected to be insignificant. Accordingly, no provision is made for uncollectible amounts. Pledges receivable valued at \$0 were determined to be uncollectible and written off during each of the years ended June 30, 2025 and 2024.

**NOTE 11 PROPERTY AND EQUIPMENT**

Property and equipment activity for the years ended June 30, 2025 and 2024 was as follows:

	Beginning of Year	Additions	Deletions	End of Year
<u>June 30, 2025</u>				
Land	\$ 695,930	\$ -	\$ -	\$ 695,930
Buildings and Improvements	1,648,239	-	-	1,648,239
Less: Accumulated Depreciation	(661,084)	(39,448)	-	(700,532)
Property and Equipment, Net	\$ 1,683,085	\$ (39,448)	\$ -	\$ 1,643,637
<u>June 30, 2024</u>				
Land	\$ 695,930	\$ -	\$ -	\$ 695,930
Buildings and Improvements	1,648,239	-	-	1,648,239
Less: Accumulated Depreciation	(621,636)	(39,448)	-	(661,084)
Property and Equipment, Net	\$ 1,722,533	\$ (39,448)	\$ -	\$ 1,683,085

Depreciation expense was \$39,448 and for the years ended June 30, 2025 and 2024.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 12 SIGNIFICANT TRANSACTIONS WITH THE PRIMARY GOVERNMENT**

The Foundation has a contract with Eastern Illinois University (University) in which the Foundation has agreed to aid and assist the University in achieving its education, research, and service goals, by developing and administering gifts made to the Foundation to be used for the benefit of the University for scholarships, grants, and other supporting programs. The University agreed, as a part of this contract, to furnish certain services necessary to the operation of the Foundation which are to be repaid by the Foundation in either the form of money or its equivalent in services or resources.

During the years ended June 30, 2025 and 2024, the Foundation provided the University \$6,146,131 and \$2,494,718, respectively, of cash, services and resources, unrestricted or restricted only as to department, which were generally for on-going operations of the University. Also, the Foundation provided the University restricted scholarships, grants and awards of \$2,798,402 and \$1,999,311 during the years ended June 30, 2025 and 2024, respectively. In addition, the Foundation provided use of its facilities at no charge to the University for both years. The value of the facilities were \$63,944 and \$63,166 for the years ended June 30, 2025 and 2024, respectively. The value of the facilities is not reflected in the financial statements. Also, the Foundation received \$1,949 and \$50 for the years ended June 30, 2025 and 2024, respectively, in gifts from the University's restricted gift accounts with donor's consent.

The University provided in-kind support in the form of personnel and office space valued at \$206,147 and \$129,853 for the years ended June 30, 2025 and 2024, respectively. This information is shown as revenue under the caption of "Service Contract with the University," and expenses are allocated between "Program Services" and "Management and General" captions on the statements of activities. The in-kind support was as follows for the years ended June 30:

	2025	2024
Personnel	\$ 204,784	\$ 128,315
Office Space	1,363	1,538
Total	\$ 206,147	\$ 129,853

The value of the personnel services is calculated based on the University employees' salaries and the allocation of time spent completing Foundation activities. The value of the office space is calculated based upon the Foundation's allocated use of University buildings.

In fiscal year 2024, the Board of Trustees of Eastern Illinois University approved to transfer their endowment pool, land deed, and farm account of Buckler Farms to Eastern Illinois University Foundation. The value of the University transfer is \$10,089,190 in its entirety of which the endowment pool of \$5,531,352 and earnings of \$227,049 were transferred as of June 30, 2024. The remaining Buckler Farms land deed and farm account of \$4,328,752 and remaining cash of \$2,037 are recorded as a receivable and were transferred in fiscal year 2025. Eastern Illinois University Foundation shows an increase in contributions, investment income, other income and accounts receivable due to this transfer.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 13 OGDEN BRAINARD RESIDUARY TRUST**

The Foundation has been named Trustee and Executor of the Residuary Trust (the Trust) as stipulated in the Last Will and Testament of H. Ogden Brainard. It is the responsibility of the Trustee to hold and administer the Trust for the uses and purposes stipulated in the will. The Foundation's responsibilities as trustee include paying certain bequests (which were disbursed in March 1993) and paying the net income of the Trust to certain charities as stipulated in the Trust, not less frequently than semi-annually. The Foundation holds no variance power to change the beneficiaries of the trust and holds a 1/6 interest in the trust.

The Foundation has recorded its interest in this trust at the lower of the underlying fair value of the assets or the estimated value of the expected future cash flows of the trust. Their interest was recorded in the beneficial interest in trusts classification on the statements of financial position and totaled \$482,555 and \$388,748 at June 30, 2025 and 2024, respectively. The Foundation's interest is held in donor-restricted net assets on the statements of financial position. The Foundation's share of income was \$19,302 and \$15,550 for the years ended June 30, 2025 and 2024, respectively.

**NOTE 14 RISK MANAGEMENT**

The Foundation is exposed to various risks of loss including, but not limited to, general liability, property casualty and director and officer liability. The Foundation is liable for up to \$500/year deductible for property damage. No significant reduction in insurance coverage from the prior year occurred. Insurance settlements did not exceed coverage in each of the past three fiscal years.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 NET ASSETS**

Net assets with donor restrictions which are restricted for time or purpose consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Scholarship	\$ 42,780,722	\$ 37,785,406
Academic and Research Support	24,294,796	23,296,803
Capital Projects	1,448,730	719,190
Other, EIU, and Community Programs	9,335,696	8,746,296
Total	<u>\$ 77,859,944</u>	<u>\$ 70,547,695</u>

The Foundation also has net assets with donor restrictions which are restricted in perpetuity. The income from these restricted net assets is expendable to support the following at June 30:

	<u>2025</u>	<u>2024</u>
Scholarship	\$ 42,164,202	\$ 39,749,356
Academic and Research Support	9,997,533	9,876,451
Capital Projects	105,253	105,253
Other, EIU, and Community Programs	20,444,268	19,122,638
Total	<u>\$ 72,711,256</u>	<u>\$ 68,853,698</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the other events specified by donors.

**NOTE 16 ENDOWMENT FUNDS**

At June 30, 2025 and 2024 the Foundation's endowment consists of approximately 784 and 767, respectively, individual funds established for a variety of purposes. The endowment includes funds with donor restrictions and without donor restrictions (board-designated) endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The board of directors of the Foundation has interpreted the Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as restricted 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.



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**NOTE 16 ENDOWMENT FUNDS (CONTINUED)**

The remaining portion of the endowment fund is considered restricted for time or purpose and is included in the 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.

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 purposes of the Foundation and the fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from investment income and the appreciation or depreciation of investments
- Other resources of the institution
- The investment policies of the Foundation

Endowment net assets as of June 30 were as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		For Time or Purpose	in Perpetuity	
<u>June 30, 2025</u>				
Donor-Restricted Endowment Funds	\$ -	\$ 51,896,881	\$ 68,601,714	\$ 120,498,595
Donor-Restricted Quasi-Endowment Funds	-	844,513	-	844,513
Board Designated Quasi-Endowment Funds	589,861	-	-	589,861
Total	<u>\$ 589,861</u>	<u>\$ 52,741,394</u>	<u>\$ 68,601,714</u>	<u>\$ 121,932,969</u>
<u>June 30, 2024</u>				
Donor-Restricted Endowment Funds	\$ -	\$ 40,635,088	\$ 63,465,259	\$ 104,100,347
Donor-Restricted Quasi-Endowment Funds	-	844,513	-	844,513
Board Designated Quasi-Endowment Funds	559,811	-	-	559,811
Total	<u>\$ 559,811</u>	<u>\$ 41,479,601</u>	<u>\$ 63,465,259</u>	<u>\$ 105,504,671</u>

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**NOTE 16 ENDOWMENT FUNDS (CONTINUED)**

Changes in endowment, not total, net assets for the fiscal years ended June 30, 2025 and 2024, are as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		For Time or Purpose	in Perpetuity	
<u>June 30, 2025</u>				
Endowment Investments - Beginning of Year	\$ 559,811	\$ 41,479,601	\$ 63,465,259	\$ 105,504,671
Investment Income	17,829	2,910,426	-	2,928,255
Net Appreciation	12,221	9,344,030	-	9,356,251
Contributions	-	-	5,019,404	5,019,404
Appropriations of Endowment Assets for Expenditure	-	(992,663)	-	(992,663)
Other Additions	-	-	117,051	117,051
Endowment Investments - End of Year	<u>\$ 589,861</u>	<u>\$ 52,741,394</u>	<u>\$ 68,601,714</u>	<u>\$ 121,932,969</u>
	Without Donor Restrictions	With Donor Restrictions		Total
		For Time or Purpose	in Perpetuity	
<u>June 30, 2024</u>				
Endowment Investments - Beginning of Year	\$ 522,863	\$ 34,770,477	\$ 62,003,428	\$ 97,296,768
Investment Income	15,642	2,912,613	-	2,928,255
Net Appreciation	21,306	5,067,913	-	5,089,219
Contributions	-	-	1,204,836	1,204,836
Appropriations of Endowment Assets for Expenditure	-	(1,271,402)	-	(1,271,402)
Other Additions	-	-	256,995	256,995
Endowment Investments - End of Year	<u>\$ 559,811</u>	<u>\$ 41,479,601</u>	<u>\$ 63,465,259</u>	<u>\$ 105,504,671</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Foundation is required to retain as a fund of perpetual duration pursuant to the donor stipulation or UPMIFA. Deficiencies of this nature aggregated to \$0 as of June 30, 2025 and 2024.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Foundation must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowment funds. Under the Foundation's policies, endowment assets are invested in a manner that is intended to produce results that seek an average total return of spending net of inflation and administrative cost. The Foundation expects its endowment funds to provide an average rate of return of approximately 7.2% annually over time. Actual returns in any given year may vary from this amount.

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 current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). 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.

**EASTERN ILLINOIS UNIVERSITY FOUNDATION**  
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**NOTE 16 ENDOWMENT FUNDS (CONTINUED)**

The Foundation's board of directors has adopted a hybrid approach spending policy to determine the spending distribution. This approach takes into consideration the duration and preservation of the endowments, purpose of the endowment funds, general economic conditions, the possible effect of inflation or deflation, expected total return from income and investment policy.

The spending distribution calculation is based upon 4.25% spending rate policy of a trailing twelve quarter average market value for the last audited figures.

**NOTE 17 ADMINISTRATIVE FEES**

The Foundation receives a fee of .75% on endowment funds which is distributed annually on July 1, by using the fair value of the pool as of the prior June 30. The fee was \$719,672 and \$671,440 for the years ended June 30, 2025 and 2024, respectively.



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