

Interact for Health and Subsidiary

Consolidated Financial Statements and
Supplementary Information
December 31, 2025 and 2024
(with Independent Auditors' Report)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Interact for Health and Subsidiary:

Opinion

We have audited the accompanying consolidated financial statements of Interact for Health and Subsidiary (a not-for-profit organization), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Interact for Health and Subsidiary as of December 31, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Interact for Health and Subsidiary 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Interact for Health and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Interact for Health and Subsidiary'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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 18 - 21 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 9, 2026

Interact for Health and Subsidiary
Consolidated Statements of Financial Position
December 31, 2025 and 2024

Assets

	2025	2024
Current assets:		
Cash and cash equivalents	\$ 2,016,236	1,795,365
Investments	279,528,593	259,763,481
Grant receivable	-	200,000
Interest and dividends receivable	106,258	103,300
Prepaid expenses	98,372	83,440
Total current assets	281,749,459	261,945,586
Fixed assets:		
Furniture	228,172	229,488
Computer hardware and software	273,296	300,596
Equipment	312,696	320,378
Leasehold improvements	478,047	461,600
	1,292,211	1,312,062
Less accumulated depreciation	(863,490)	(793,776)
Total fixed assets	428,721	518,286
Other assets:		
Security deposit	17,285	17,285
Operating lease right of use asset	907,644	1,066,057
Deferred compensation assets	202,738	157,811
Total other assets	1,127,667	1,241,153
	\$ 283,305,847	263,705,025

See accompanying notes to the consolidated financial statements.

Interact for Health and Subsidiary
Consolidated Statements of Financial Position (continued)
December 31, 2025 and 2024

Liabilities and Net Assets

	<u>2025</u>	<u>2024</u>
Current liabilities:		
Accounts payable	\$ 124,463	92,945
Accrued liabilities	159,268	154,747
Grants payable, current portion	2,703,757	2,220,204
Operating lease liability, current portion	<u>162,681</u>	<u>160,058</u>
Total current liabilities	<u>3,150,169</u>	<u>2,627,954</u>
Long-term liabilities:		
Grants payable, net of current portion	594,344	935,250
Operating lease liability, net of current portion	852,745	1,015,425
Deferred compensation payable	<u>202,738</u>	<u>157,811</u>
Total long-term liabilities	<u>1,649,827</u>	<u>2,108,486</u>
Total liabilities	<u>4,799,996</u>	<u>4,736,440</u>
Net assets:		
Without donor restrictions	277,436,565	257,958,833
With donor restrictions	<u>1,069,286</u>	<u>1,009,752</u>
Total net assets	<u>278,505,851</u>	<u>258,968,585</u>
	<u>\$ 283,305,847</u>	<u>263,705,025</u>

See accompanying notes to the consolidated financial statements.

Interact for Health and Subsidiary
Consolidated Statements of Activities
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:						
Net investment return	\$ 33,806,906	33,444	33,840,350	21,094,138	42,946	21,137,084
Other income:						
Grants and contributions received	-	700,250	700,250	-	724,000	724,000
Miscellaneous income	3,836	-	3,836	4,760	-	4,760
Net assets released from restrictions	<u>674,160</u>	<u>(674,160)</u>	<u>-</u>	<u>854,928</u>	<u>(854,928)</u>	<u>-</u>
 Total revenues	 <u>34,484,902</u>	 <u>59,534</u>	 <u>34,544,436</u>	 <u>21,953,826</u>	 <u>(87,982)</u>	 <u>21,865,844</u>
Expenses:						
Grants and direct charitable expenses	10,217,115	-	10,217,115	9,469,891	-	9,469,891
Program operating	<u>3,701,678</u>	<u>-</u>	<u>3,701,678</u>	<u>3,591,250</u>	<u>-</u>	<u>3,591,250</u>
Total program expenses	13,918,793	-	13,918,793	13,061,141	-	13,061,141
Management and general	<u>1,088,377</u>	<u>-</u>	<u>1,088,377</u>	<u>1,019,248</u>	<u>-</u>	<u>1,019,248</u>
 Total expenses	 <u>15,007,170</u>	 <u>-</u>	 <u>15,007,170</u>	 <u>14,080,389</u>	 <u>-</u>	 <u>14,080,389</u>
 Change in net assets	 19,477,732	 59,534	 19,537,266	 7,873,437	 (87,982)	 7,785,455
Net assets at beginning of year	<u>257,958,833</u>	<u>1,009,752</u>	<u>258,968,585</u>	<u>250,085,396</u>	<u>1,097,734</u>	<u>251,183,130</u>
Net assets at end of year	\$ <u>277,436,565</u>	<u>1,069,286</u>	<u>278,505,851</u>	<u>257,958,833</u>	<u>1,009,752</u>	<u>258,968,585</u>

See accompanying notes to the consolidated financial statements.

Interact for Health and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended December 31, 2025

	<u>Grants and Direct Charitable</u>	<u>Program Operating</u>	<u>Total Program Expenses</u>	<u>Management and General</u>	<u>Total</u>
Grants awarded	\$ 7,495,945	-	7,495,945	-	7,495,945
Payroll and benefits	547,091	2,652,579	3,199,670	825,475	4,025,145
Community support/collaboratives, research and evaluation	2,032,505	410,054	2,442,559	-	2,442,559
Occupancy	58,382	210,825	269,207	55,140	324,347
Professional services	4,098	46,004	50,102	130,300	180,402
Conferences, conventions and meetings	16,585	117,531	134,116	16,100	150,216
Depreciation	19,082	68,907	87,989	18,022	106,011
Information technology	20,454	73,861	94,315	19,317	113,632
Office expenses	12,958	34,030	46,988	10,347	57,335
Travel	8,822	58,539	67,361	4,162	71,523
Other expenses	<u>1,193</u>	<u>29,348</u>	<u>30,541</u>	<u>9,514</u>	<u>40,055</u>
	<u>\$ 10,217,115</u>	<u>3,701,678</u>	<u>13,918,793</u>	<u>1,088,377</u>	<u>15,007,170</u>

See accompanying notes to the consolidated financial statements.

Interact for Health and Subsidiary
Consolidated Statement of Functional Expenses
Year Ended December 31, 2024

	<u>Grants and Direct Charitable</u>	<u>Program Operating</u>	<u>Total Program Expenses</u>	<u>Management and General</u>	<u>Total</u>
Grants awarded	\$ 7,303,121	-	7,303,121	-	7,303,121
Payroll and benefits	520,358	2,219,380	2,739,738	774,148	3,513,886
Community support/collaboratives, research and evaluation	1,510,437	741,600	2,252,037	-	2,252,037
Occupancy	55,810	201,537	257,347	52,710	310,057
Professional services	4,639	86,803	91,442	113,801	205,243
Conferences, conventions and meetings	15,426	105,970	121,396	15,658	137,054
Depreciation	22,037	79,580	101,617	20,813	122,430
Information technology	13,786	49,783	63,569	13,020	76,589
Office expenses	13,171	35,044	48,215	10,793	59,008
Travel	9,782	47,507	57,289	4,568	61,857
Other expenses	<u>1,324</u>	<u>24,046</u>	<u>25,370</u>	<u>13,737</u>	<u>39,107</u>
	<u>\$ 9,469,891</u>	<u>3,591,250</u>	<u>13,061,141</u>	<u>1,019,248</u>	<u>14,080,389</u>

See accompanying notes to the consolidated financial statements.

Interact for Health and Subsidiary
Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 19,537,266	7,785,455
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	106,011	122,430
Amortization of operating lease right of use asset	158,414	160,153
Net realized and unrealized gain on investments	(29,643,057)	(17,250,383)
Changes in assets and liabilities:		
Interest and dividends receivable	(2,958)	235
Grants receivable	200,000	(200,000)
Prepaid expenses	(14,932)	(29,995)
Accounts payable	31,518	15,438
Accrued liabilities	4,521	38,298
Grants payable	142,647	742,289
Operating lease liability	(160,058)	(157,435)
Deferred compensation payable	44,927	(46,847)
Net cash used in operating activities	(9,595,701)	(8,820,362)
Cash flows from investing activities:		
Purchase of fixed assets	(16,446)	(52,288)
Change in deferred compensation assets	(44,927)	46,847
Purchase of investments	(34,224,191)	(20,145,981)
Proceeds from sale of investments	44,102,136	28,709,417
Net cash provided by investing activities	9,816,572	8,557,995
Net change in cash and cash equivalents	220,871	(262,367)
Cash and cash equivalents at beginning of year	1,795,365	2,057,732
Cash and cash equivalents at end of year	\$ 2,016,236	1,795,365

See accompanying notes to the consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of operations

Interact for Health is an independent foundation with a mission to ensure people in our region have a just opportunity to live their healthiest lives. Interact for Health serves as a catalyst by promoting health equity through grants, education, research, policy, and engagement. Interact for Health and Subsidiary includes Interact for Health and InterAct for Change (collectively, the “Organization”). InterAct for Change is a wholly-controlled subsidiary and the 501(c)(3) public charity arm of Interact for Health with a mission to inspire, lead and support active giving and innovative philanthropic solutions. InterAct for Change works with clients, partners and community collaboratives (such as Hopeful Empowered Youth (“HEY!”)) to achieve measurable results through charitable giving and supports the mission of Interact for Health.

Principles of consolidation

These financial statements are the result of the consolidation of the operations of Interact for Health and InterAct for Change (“InterAct”). All intercompany transactions have been eliminated.

Use of estimates in the consolidated financial statements

The process of preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Basis of presentation

The consolidated financial statements are presented on the accrual basis of accounting in accordance with GAAP. Net assets, revenues, gains and losses are classified based on the absence or existence of donor-imposed restrictions as follows:

- *Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and Board of Directors.
- *Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions that are likely to be met by the actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor stipulated the funds be maintained in perpetuity. The Organization did not have any net assets with perpetual restrictions at December 31, 2025 and 2024.

Contributions

Unconditional contributions are recorded when the promise to give is received. Death bequests are recorded when the will has been settled through probate court. Grant revenue is recorded when the grant is awarded, unless conditional by nature. Conditional grants are generally received to reimburse eligible expenses. Reimbursement-type grant revenue is recorded in grant revenues with donor restrictions when the related eligible costs are incurred and reclassified to net assets without donor restrictions through net assets released from restrictions. Revenues from sources other than contributions are reported as increases in net assets without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions.

When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets are reclassified from with donor restrictions to without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. The Organization records contributions and investment income with donor restrictions that are met in the same period as net assets with donor restrictions and then reclassifies the revenue to net assets without donor restrictions through net assets released from restrictions in the accompanying consolidated statements of activities.

Cash and cash equivalents

The Organization considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. The Organization maintains cash in deposit accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Investments

The Organization records investments in common stocks, mutual funds and exchange-traded funds at their fair values. Direct investments in limited partnerships, limited liability companies, and other corporations without readily available market values are stated at their net asset value (NAV) as provided by third-party investment managers. Dividends, interest, net of direct investment expenses, realized and unrealized gains and losses resulting from changes in market values are recognized in the consolidated statements of activities within net investment return. Net investment return is composed of the following for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 4,352,025	4,052,674
Net realized and unrealized gains	29,643,057	17,250,383
Direct investment expenses	<u>(154,732)</u>	<u>(165,973)</u>
	<u>\$ 33,840,350</u>	<u>21,137,084</u>

Fixed assets

Fixed assets are recorded at cost less accumulated depreciation, unless the asset is donated, in which case it is recorded at fair value on the date of the gift. Depreciation is calculated using the straight-line method over the estimated useful lives of the depreciable assets. The estimated useful lives are as follows:

Furniture	10 years
Leasehold improvements	Life of lease
Computer hardware and software	3 years
Equipment	5 years

Grants awarded and payable

Unconditional grants awarded, and the related payable, are recognized upon approval by the Organization and grantee acceptance, if applicable, which is accomplished through signing of the award agreement. Generally, the Organization does not award conditional grants. Grants awarded that are due in more than one year are not discounted as the amount of the discount is not material.

Functional expense allocations

The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Direct charitable expenses pertain to charitable activities for the benefit of others initiated and conducted in whole or in part by the Organization. Program operating expenses primarily pertain to the general grant making activities of the Organization such as reviewing proposals and awarding, monitoring, and evaluating grants. Expenses are directly applied when applicable and other expenses are allocated to programs or supporting services. Expenses have been allocated based on employee estimates of time and effort for all natural classes, with the exception of information technology and other expenses attributable to all employees, including occupancy. These expenses have been allocated based upon estimated head counts for each function. The Organization does not receive significant contributions and includes fundraising expenses of approximately \$3,500 in management and general expenses.

Tax status

Interact for Health is exempt from federal income tax under Internal Revenue Code (the "Code") section 501(c)(4), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. InterAct for Change is a tax-exempt organization under Code Section 501(c)(3), which has been classified as a public charity qualified for charitable contributions under Code Section 170. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

The Organization follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to consolidated financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the consolidated financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax

position may be challenged. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

Subsequent events

The Organization evaluates events and transactions occurring subsequent to the date of the consolidated financial statements for matters requiring recognition or disclosure in the consolidated financial statements. The accompanying consolidated financial statements consider events through March 9, 2026, the date on which the consolidated financial statements were available to be issued.

2. LINE OF CREDIT:

The Organization has a revolving line of credit agreement for borrowing up to \$5,000,000. The line of credit bears interest of 1% plus the daily simple secured overnight financing rate (SOFR) which was 3.87% at December 31, 2025. The line of credit expires on January 15, 2027. The Organization had no outstanding balance on the line of credit at December 31, 2025 and 2024. The line of credit is secured by an investment of the Organization.

3. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are composed of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Scholarship Funds	\$ -	93,263
HEY! (fka Youth Mental Health) Collaborative	718,639	561,814
Data for Equity Collaborative	58,809	25,870
Other purposes	<u>291,838</u>	<u>328,805</u>
	<u>\$ 1,069,286</u>	<u>1,009,752</u>

Net assets released from restrictions are composed of the following for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Scholarship Funds	\$ 93,615	1,010
HEY! (fka Youth Mental Health) Collaborative	243,425	656,131
Data for Equity Collaborative	267,061	100,201
Other purposes	<u>70,059</u>	<u>97,586</u>
	<u>\$ 674,160</u>	<u>854,928</u>

4. FAIR VALUE MEASUREMENTS:

Fair value is defined as the price that will be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurements and disclosures are based on a three-level hierarchy as follows:

Level 1 fair values are quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 fair values are quoted prices in active markets for similar assets or liabilities in active markets, quoted prices in inactive markets for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3 fair values are unobservable, supported by little or no market activity.

Financial instruments measured at fair value on a recurring basis using quoted prices for identical instruments in an active market (level 1) include mutual funds and exchange-traded funds.

The Organization also invests in hedge, private capital, and other limited partnership funds. These funds are measured at net asset value ("NAV") as reported in audited financial statements, if available, or as provided by the investment manager at the measurement date. Private equity funds are recorded at NAV as of September 30 or December 31 as reported by the fund manager. For those funds recorded at NAV as of September 30, management adjusts the year end value for purchases and sales made during the fourth quarter, or other significant activity as provided by the fund manager. Investments in these funds can be subject to a variety of redemption and lock-up provisions, which may affect the liquidity or transferability of the investment at the measurement date.

The Organization has committed to providing additional capital related to the limited partnership funds in the amount of \$11,531,000 and \$12,426,000 at December 31, 2025 and 2024, respectively.

The Organization holds a variety of investments, the underlying securities of which are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the value of investment securities would occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

Annually, the Organization reevaluates its classification of investments within the fair value hierarchy. There have been no changes to the methodology used to determine fair value.

The following table summarizes the assets measured at fair value and NAV on a recurring basis at December 31, 2025:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Investments measured at NAV</u>
Investments:					
Mutual funds:					
Domestic	\$ 70,732,988	70,732,988	-	-	-
International	44,589,179	44,589,179	-	-	-
Fixed income	51,391,526	51,391,526	-	-	-
Exchange-traded funds:					
Emerging markets	33,308	33,308	-	-	-
Limited partnership funds:					
Private capital	79,603,869	-	-	-	79,603,869
Diversifying strategies	<u>33,177,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,177,723</u>
Total investments	<u>\$ 279,528,593</u>	<u>166,747,001</u>	<u>-</u>	<u>-</u>	<u>112,781,592</u>

The following table summarizes the assets measured at fair value and NAV on a recurring basis at December 31, 2024:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Investments measured at NAV</u>
Investments:					
Mutual funds:					
Domestic	\$ 59,704,266	59,704,266	-	-	-
International	38,120,824	38,120,824	-	-	-
Fixed income	49,361,276	49,361,276	-	-	-
Exchange-traded funds:					
Emerging markets	33,551	33,551	-	-	-
Limited partnership funds:					
Private capital	83,403,224	-	-	-	83,403,224
Diversifying strategies	<u>29,140,340</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,140,340</u>
Total investments	<u>\$ 259,763,481</u>	<u>147,219,917</u>	<u>-</u>	<u>-</u>	<u>112,543,564</u>

Redemption provisions, notice periods and additional disclosures for the investments held at NAV are as follows:

	<u>Net Asset Value</u>		<u>Redemption</u>	<u>Notice</u>
	<u>2025</u>	<u>2024</u>	<u>Frequency</u>	<u>Period</u>
Limited partnership funds:				
Diversifying strategies (a)	\$ 33,177,723	29,140,340	Quarterly	65 days
Private capital (b)	<u>79,603,869</u>	<u>83,403,224</u>	Not applicable	Not applicable
	<u>\$ 112,781,592</u>	<u>112,543,564</u>		

- (a) Diversifying strategies include market neutral and opportunistic hedge funds. Market neutral hedge funds are focused on arbitrage, long-short credit and equity, distressed debt, and structured credit investments. Opportunistic hedge funds include multi-strategy and global macro hedge funds, as well as distressed investments. Funds are generally redeemable quarterly with 65 days' notice.
- (b) Private capital includes private equity funds and private real assets. These funds seek long term capital appreciation by investing in a variety of investment strategies. These funds are generally not redeemable until such time as there is a liquidity event, or the fund is terminated by the general partner(s) subject to the terms of each fund's partnership agreement.

In June 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-03, Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions. The guidance clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and therefore is not reflected in the measurement of fair value. The guidance also prohibits an entity from recognizing a contractual sale restriction as a separate unit of account.

The Organization adopted ASU 2022-03 effective January 1, 2025. The adoption of this guidance did not have a material impact on the Organization's consolidated financial statements.

As of December 31, 2025, the Organization held equity securities measured at fair value that were subject to contractual sale restrictions. The fair value of these equity securities was \$79.6 million, which is included in investments in the consolidated statement of financial position. The contractual sale restrictions limit the Organization's ability to sell the securities for a specified period of time but do not affect the fair value measurement of the securities.

The contractual sale restrictions primarily consist of lock-up agreements that restrict the sale of the equity securities for a remaining period of less than 6 months. The restrictions will lapse upon the earlier of the expiration of the contractual period or the occurrence of certain events.

5. GRANTS PAYABLE:

Grants payable approved for payment are scheduled to be disbursed as follows at December 31:

2026	\$2,703,757
2027	<u>594,344</u>
	<u>\$3,298,101</u>

6. DEFERRED COMPENSATION:

The Organization maintains a non-qualified funded deferred compensation plan under Internal Revenue Code Section 457 for the benefit of four current associates that are eligible. The plan is voluntary, and participants may contribute to the plan, subject to certain limitations. No contributions were made by the Organization in connection with the plan. Deferred compensation assets and payable related to the plan were \$202,738 and \$157,811 as of December 31, 2025 and 2024, respectively.

7. LEASE OBLIGATION:

During 2021, the Organization entered into a lease for a new office which commenced on July 1, 2021 and will terminate in December 2031. The lease includes rent escalation provisions based on an annual inflation adjustment of 2.50% from a monthly base rent of \$13,841. Since the Organization's lease does not provide an implicit interest rate to determine the present value of lease payments, management used the risk-free rate available at lease commencement which was 1.48%. The Organization recognized an operating lease right-of-use asset and related lease liability of \$1,715,031 at the lease inception. The lease provides the option to renew for two five-year periods at then market rates. Due to the changing needs of the community the Organization serves, it is unknown at this time if the renewal options will be exercised. The Organization has elected to implement the practical expedient of not separating lease components from nonlease components.

The Organization recognized \$177,215 of straight-line rent expense under this lease during 2025 and 2024.

The following is a schedule of future minimum lease payments for the years ended December 31:

2026		\$ 183,331
2027		187,915
2028		192,612
2029		197,428
2030		202,363
2031		<u>207,423</u>
		1,171,072
Less imputed interest		<u>(155,646)</u>
		<u>\$ 1,015,426</u>

8. RETIREMENT PLAN:

The Organization maintains a retirement savings plan which allows participants to make contributions by salary reduction, pursuant to Section 401(k) of the Internal Revenue Code. The plan provides for a matching contribution and a discretionary contribution by the Organization. Participants vest immediately in their own, matching and discretionary contributions. The Organization's contributions to the plan were \$357,308 and \$305,156 for the years ended December 31, 2025 and 2024, respectively.

9. LIQUIDITY DISCLOSURES:

The Organization is substantially supported by investment income and contributions from donors which, at times, contain donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in investments as deemed appropriate.

The following table presents the financial assets available to meet cash needs for general expenditures within one year at December 31:

	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash and cash equivalents	\$ 2,016,236	1,795,365
Interest and dividends receivable	106,258	103,300
Grant receivable	-	200,000
Investments at fair value	<u>279,528,593</u>	<u>259,763,481</u>
Financial assets available at year-end	<u>281,651,087</u>	<u>261,862,146</u>
Less those unavailable for general expenditures within one year due to:		
Restricted by donor with purpose restriction	1,069,286	1,009,752
Private capital investments	<u>79,603,869</u>	<u>83,403,224</u>
Total limitations on available resources	<u>80,673,155</u>	<u>84,412,976</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>200,977,932</u>	<u>177,449,170</u>

Interact for Health and Subsidiary
Consolidating Statement of Financial Position
December 31, 2025

	<u>Interact for Health</u>	<u>InterAct for Change</u>	<u>Eliminating Entries</u>	<u>Total</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 1,042,771	973,465	-	2,016,236
Investments	279,252,069	276,524	-	279,528,593
Interest and dividends receivable	103,297	2,961	-	106,258
Prepaid expenses	96,533	1,839	-	98,372
	<u>280,494,670</u>	<u>1,254,789</u>	<u>-</u>	<u>281,749,459</u>
Fixed assets:				
Furniture	228,172	-	-	228,172
Computer hardware and software	273,296	-	-	273,296
Equipment	312,696	-	-	312,696
Leasehold improvements	478,047	-	-	478,047
	<u>1,292,211</u>	<u>-</u>	<u>-</u>	<u>1,292,211</u>
Less accumulated depreciation	<u>(863,490)</u>	<u>-</u>	<u>-</u>	<u>(863,490)</u>
	<u>428,721</u>	<u>-</u>	<u>-</u>	<u>428,721</u>
Other assets:				
Security deposit	17,285	-	-	17,285
Operating lease right of use asset	907,644	-	-	907,644
Deferred compensation assets	202,738	-	-	202,738
	<u>1,127,667</u>	<u>-</u>	<u>-</u>	<u>1,127,667</u>
Total assets	\$ <u>282,051,058</u>	<u>1,254,789</u>	<u>-</u>	<u>283,305,847</u>
Liabilities and Net Assets				
Current liabilities:				
Accounts payable	\$ 124,459	4	-	124,463
Accrued liabilities	150,888	8,380	-	159,268
Grants payable, current portion	2,703,757	-	-	2,703,757
Operating lease liability, current portion	162,681	-	-	162,681
	<u>3,141,785</u>	<u>8,384</u>	<u>-</u>	<u>3,150,169</u>
Long-term liabilities:				
Grants payable, net of current portion	594,344	-	-	594,344
Operating lease liability, net of current portion	852,745	-	-	852,745
Deferred compensation payable	202,738	-	-	202,738
	<u>1,649,827</u>	<u>-</u>	<u>-</u>	<u>1,649,827</u>
Total liabilities	<u>4,791,612</u>	<u>8,384</u>	<u>-</u>	<u>4,799,996</u>
Net assets				
Without donor restrictions	277,259,446	177,119	-	277,436,565
With donor restrictions	<u>-</u>	<u>1,069,286</u>	<u>-</u>	<u>1,069,286</u>
	<u>277,259,446</u>	<u>1,246,405</u>	<u>-</u>	<u>278,505,851</u>
Total liabilities and net assets	\$ <u>282,051,058</u>	<u>1,254,789</u>	<u>-</u>	<u>283,305,847</u>

See accompanying independent auditors' report.

Interact for Health and Subsidiary
Consolidating Statement of Financial Position
December 31, 2024

	<u>Interact for Health</u>	<u>InterAct for Change</u>	<u>Eliminating Entries</u>	<u>Total</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 1,104,943	690,422	-	1,795,365
Investments	259,486,038	277,443	-	259,763,481
Grants receivable	-	200,000	-	200,000
Interest and dividends receivable	100,986	2,314	-	103,300
Prepaid expenses	82,841	599	-	83,440
	<u>260,774,808</u>	<u>1,170,778</u>	<u>-</u>	<u>261,945,586</u>
Fixed assets:				
Furniture	229,488	-	-	229,488
Computer hardware and software	300,596	-	-	300,596
Equipment	320,378	-	-	320,378
Leasehold improvements	461,600	-	-	461,600
	<u>1,312,062</u>	<u>-</u>	<u>-</u>	<u>1,312,062</u>
Less accumulated depreciation	<u>(793,776)</u>	<u>-</u>	<u>-</u>	<u>(793,776)</u>
	<u>518,286</u>	<u>-</u>	<u>-</u>	<u>518,286</u>
Other assets:				
Security deposit	17,285	-	-	17,285
Operating lease right of use asset	1,066,057	-	-	1,066,057
Deferred compensation assets	157,811	-	-	157,811
	<u>1,241,153</u>	<u>-</u>	<u>-</u>	<u>1,241,153</u>
Total assets	\$ <u>262,534,247</u>	<u>1,170,778</u>	<u>-</u>	<u>263,705,025</u>
Liabilities and Net Assets				
Current liabilities:				
Accounts payable	\$ 92,945	-	-	92,945
Accrued liabilities	147,146	7,601	-	154,747
Grants payable, current portion	2,220,204	-	-	2,220,204
Operating lease liability, current portion	160,058	-	-	160,058
	<u>2,620,353</u>	<u>7,601</u>	<u>-</u>	<u>2,627,954</u>
Long-term liabilities:				
Grants payable, net of current portion	935,250	-	-	935,250
Operating lease liability, net of current portion	1,015,425	-	-	1,015,425
Deferred compensation payable	157,811	-	-	157,811
	<u>2,108,486</u>	<u>-</u>	<u>-</u>	<u>2,108,486</u>
Total liabilities	<u>4,728,839</u>	<u>7,601</u>	<u>-</u>	<u>4,736,440</u>
Net assets				
Without donor restrictions	257,805,408	153,425	-	257,958,833
With donor restrictions	-	1,009,752	-	1,009,752
	<u>257,805,408</u>	<u>1,163,177</u>	<u>-</u>	<u>258,968,585</u>
Total liabilities and net assets	\$ <u>262,534,247</u>	<u>1,170,778</u>	<u>-</u>	<u>263,705,025</u>

See accompanying independent auditors' report.

Interact for Health and Subsidiary
Consolidating Statement of Activities
Year Ended December 31, 2025

	Interact for	InterAct for Change		Eliminating	Eliminating	Total
	Health	Without Donor	With Donor	Entries	Entries	
	Without Donor	Without Donor	With Donor	Without Donor	With Donor	
	Restrictions	Restrictions	Restrictions	Restrictions	Restrictions	
Revenues:						
Net investment return	\$ 33,778,048	28,858	33,444	-	-	33,840,350
Other income:						
Grants and contributions received	-	101,639	1,475,250	(101,639)	(775,000)	700,250
Miscellaneous income	-	3,836	-	-	-	3,836
Net assets released from restrictions	-	1,449,160	(1,449,160)	(775,000)	775,000	-
Total revenues	33,778,048	1,583,493	59,534	(876,639)	-	34,544,436
Expenses:						
Grants and direct charitable expenses	10,490,479	603,275	-	(876,639)	-	10,217,115
Program operating	2,838,531	863,147	-	-	-	3,701,678
Total program expenses	13,329,010	1,466,422	-	(876,639)	-	13,918,793
Management and general	995,000	93,377	-	-	-	1,088,377
Total expenses	14,324,010	1,559,799	-	(876,639)	-	15,007,170
Change in net assets	19,454,038	23,694	59,534	-	-	19,537,266
Net assets at beginning of year	257,805,408	153,425	1,009,752	-	-	258,968,585
Net assets at end of year	\$ 277,259,446	177,119	1,069,286	-	-	278,505,851

See accompanying independent auditors' report.

Interact for Health and Subsidiary
Consolidating Statement of Activities
Year Ended December 31, 2024

	Interact for Health	InterAct for Change		Eliminating Entries	Eliminating Entries	Total
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	
Revenues:						
Net investment return	\$ 21,064,804	29,334	42,946	-	-	21,137,084
Other income:						
Grants and contributions received	-	104,942	824,000	(104,942)	(100,000)	724,000
Miscellaneous income	-	4,760	-	-	-	4,760
Net assets released from restrictions	-	954,928	(954,928)	(100,000)	100,000	-
Total revenues	21,064,804	1,093,964	(87,982)	(204,942)	-	21,865,844
Expenses:						
Grants and direct charitable expenses	9,559,833	115,000	-	(204,942)	-	9,469,891
Program operating	2,714,526	876,724	-	-	-	3,591,250
Total program expenses	12,274,359	991,724	-	(204,942)	-	13,061,141
Management and general	942,802	76,446	-	-	-	1,019,248
Total expenses	13,217,161	1,068,170	-	(204,942)	-	14,080,389
Change in net assets	7,847,643	25,794	(87,982)	-	-	7,785,455
Net assets at beginning of year	249,957,765	127,631	1,097,734	-	-	251,183,130
Net assets at end of year	\$ 257,805,408	153,425	1,009,752	-	-	258,968,585

See accompanying independent auditors' report.

