

GREEN BERET FOUNDATION

FINANCIAL STATEMENTS

December 31, 2024 and 2023



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Green Beret Foundation
San Antonio, Texas

Opinion

We have audited the accompanying financial statements of the Green Beret Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Green Beret Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the Green Beret Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, including omissions, 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Green Beret Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Green Beret 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.

Report on Summarized Comparative Information

We have previously audited the Green Beret Foundation's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 30, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Randy Walker & Co.

San Antonio, Texas
June 25, 2025

GREEN BERET FOUNDATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2024 and 2023

	2024	2023
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 2,818,992	\$ 861,007
Contributions receivable	113,133	71,295
Prepaid expenses	91,673	17,074
Inventory	-	38,741
TOTAL CURRENT ASSETS	3,023,798	988,117
LONG-TERM ASSETS		
Investments	2,860,456	3,749,152
Furniture and equipment, net	14,884	23,070
Operating lease right-of-use asset	-	80,515
TOTAL LONG-TERM ASSETS	2,875,340	3,852,737
TOTAL ASSETS	\$ 5,899,138	\$ 4,840,854
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 160,403	\$ 47,805
Accrued expenses	190,543	127,509
Operating lease payable - current	-	32,318
TOTAL CURRENT LIABILITIES	350,946	207,632
LONG-TERM LIABILITIES		
Operating lease payable - long-term	-	49,832
TOTAL LONG-TERM LIABILITIES	-	49,832
TOTAL LIABILITIES	350,946	257,464
NET ASSETS		
Without donor restrictions	3,940,390	3,685,531
With donor restrictions	1,607,802	897,859
TOTAL NET ASSETS	5,548,192	4,583,390
TOTAL LIABILITIES AND NET ASSETS	\$ 5,899,138	\$ 4,840,854

The accompanying notes are an integral part of these financial statements.

GREEN BERET FOUNDATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024
(summarized for 2023)

	2024			2023 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<u>OPERATING SUPPORT AND REVENUE</u>				
Contributions	\$ 2,009,089	\$ 1,619,016	\$ 3,628,105	\$ 2,184,238
Grants	215,000	300,000	515,000	403,750
Fundraising event income, net of direct expenses of \$572,909 and \$441,815, respectively	379,145	-	379,145	339,444
Product sales	108,881	-	108,881	100,355
In-kind contributions	19,905	-	19,905	650
Net assets released from restrictions	1,209,073	(1,209,073)	-	-
TOTAL OPERATING SUPPORT AND REVENUE	3,941,093	709,943	4,651,036	3,028,437
<u>OPERATING EXPENSES</u>				
Program	3,390,886	-	3,390,886	2,421,218
General and administrative	287,758	-	287,758	323,774
Fundraising	329,178	-	329,178	288,344
TOTAL OPERATING EXPENSES	4,007,822	-	4,007,822	3,033,336
CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITY	(66,729)	709,943	643,214	(4,899)
<u>NON-OPERATING ACTIVITY</u>				
Investment income, net	321,588	-	321,588	419,323
TOTAL NON-OPERATING ACTIVITY	321,588	-	321,588	419,323
CHANGE IN NET ASSETS AFTER NON- OPERATING ACTIVITY	254,859	709,943	964,802	414,424
NET ASSETS, Beginning of Year	3,685,531	897,859	4,583,390	4,168,966
NET ASSETS, End of Year	\$ 3,940,390	\$ 1,607,802	\$ 5,548,192	\$ 4,583,390

The accompanying notes are an integral part of these financial statements.

GREEN BERET FOUNDATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 964,802	\$ 414,424
Adjustments to reconcile net change to net cash provided by operations:		
Depreciation	8,186	18,297
Unrealized gain on investments	(141,662)	(303,296)
(Increase) Decrease in assets:		
Contributions receivable	(41,838)	294
Prepaid expenses	(74,599)	35,542
Inventory	38,741	50,675
Operating lease right-of-use asset	80,515	31,057
Increase (Decrease) in liabilities:		
Accounts payable	112,598	11,019
Accrued expenses	63,034	71,405
Deferred revenue	-	(22,759)
Operating lease payable	(82,150)	(30,019)
NET CASH PROVIDED BY OPERATING ACTIVITIES	927,627	276,639
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Cash purchases of furniture and equipment	-	(9,470)
Sale of investments	1,210,000	-
Cash purchases of investments	(179,642)	(116,020)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,030,358	(125,490)
NET CHANGE IN CASH FLOWS	1,957,985	151,149
CASH, Beginning of Year	861,007	709,858
CASH, End of Year	\$ 2,818,992	\$ 861,007

The accompanying notes are an integral part of these financial statements.

GREEN BERET FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024
(summarized for 2023)

	Casualty Support	Health and Wellness Support	Transition Support	Gold Star Families	Family Support	Total Program	General and Administrative	Fundraising	2024 Total	2023 Total
OPERATING EXPENSES										
Salaries and wages	\$ 5,628	\$ 153,685	\$ 644,806	\$ 7,600	\$ 127,724	\$ 939,443	\$ 54,374	\$ 140,466	1,134,283	\$ 1,042,500
Payroll taxes	375	10,241	52,417	506	8,511	72,050	3,438	10,614	86,102	89,332
Employee insurance	700	19,110	22,573	945	15,882	59,210	6,499	6,499	72,208	46,966
Retirement plan expense	198	5,410	11,727	268	4,496	22,099	7,351	1,409	30,859	-
Payroll fees	-	-	-	-	-	-	1,422	-	1,422	6,088
Total Personnel Expenses	6,901	188,446	731,523	9,319	156,613	1,092,802	73,084	158,988	1,324,874	1,184,886
Scholarships	-	-	60,810	-	608,875	669,685	-	-	669,685	45,000
Professional fees	3,011	82,216	101,508	4,066	68,327	259,128	130,418	49,863	439,409	264,780
Medical services and devices	7	285,571	7,453	9	47,058	340,098	-	-	340,098	422,896
Travel	4,964	71,551	84,007	2,558	68,695	231,775	122	9,435	241,332	288,382
Educational and program	2,377	65,596	90,560	3,209	54,334	216,076	4,385	15,889	236,350	48,850
Information technology	1,425	38,913	49,025	1,924	32,339	123,626	48,224	43,032	214,882	160,560
Cost of goods sold	1,587	43,342	51,197	2,143	36,021	134,290	-	992	135,282	96,406
Rent, housing, and storage	431	11,771	13,905	582	19,595	46,284	8,229	4,476	58,989	91,067
Bank and merchant fees	499	13,617	16,084	673	11,317	42,190	245	7,734	50,169	38,112
General assistance	7,705	5,595	6,609	277	23,814	44,000	-	10	44,010	33,082
Gifts, thank yous, and swag	177	4,825	5,750	239	4,358	15,349	-	22,017	37,366	46,383
Conferences, conventions, and meetings	285	7,818	14,358	384	8,759	31,604	-	-	31,604	19,805
License and fees	149	4,073	4,911	201	3,385	12,719	11,516	15	24,250	38,069
Insurance	139	3,807	4,761	188	3,164	12,059	5,889	5,889	23,837	16,546
Event expenses	255	7,034	8,264	344	5,783	21,680	-	-	21,680	52,850
Supplies	162	4,436	6,127	219	4,413	15,357	-	159	15,516	10,086
Postage and delivery	145	3,948	4,817	195	3,281	12,386	141	2,624	15,151	19,040
Grants	-	-	-	-	14,838	14,838	-	-	14,838	46,876
Funeral expenses	510	-	-	-	12,432	12,942	-	-	12,942	24,566
Telephone and internet	105	2,866	3,386	142	2,382	8,881	2,537	1,285	12,703	14,304
Office expenses	85	2,314	4,473	114	1,923	8,909	602	1,605	11,116	9,800
Depreciation	77	2,114	2,497	105	1,756	6,549	818	819	8,186	18,297
Childcare assistance	45	1,226	1,449	61	5,194	7,975	-	-	7,975	4,039
Dues and subscriptions	48	1,301	1,687	64	1,081	4,181	165	2,298	6,644	9,289
Printing and copying	17	475	682	23	395	1,592	-	1,723	3,315	6,539
Meals and entertainment	25	681	1,270	34	587	2,597	-	195	2,792	4,762
Utilities and security	11	295	348	15	245	914	259	130	1,303	3,806
Other expenses	-	-	-	-	-	-	1,124	-	1,124	-
Professional development	-	-	400	-	-	400	-	-	400	600
Repairs and maintenance	-	-	-	-	-	-	-	-	-	13,658
TOTAL OPERATING EXPENSES	\$ 31,142	\$ 853,831	\$ 1,277,861	\$ 27,088	\$ 1,200,964	\$ 3,390,886	\$ 287,758	\$ 329,178	\$ 4,007,822	\$ 3,033,336

The accompanying notes are an integral part of these financial statements.

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying statements of the Green Beret Foundation (the Foundation) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization and Nature of Activities

The Green Beret Foundation is a California 501(c)(3) non-profit public benefit corporation chartered on October 14, 2009. In 2019, the Foundation successfully changed its domiciled location and has been certified as a Texas company. The primary purpose of the Foundation is to provide emergent, immediate, and ongoing support for wounded, ill, and injured members and former service members of the United States Army Special Forces Regiment and their family members. This support is also extended to the surviving family members of those service members who were killed in action or died due to disease, injury, or condition in the line of duty, during training, or during active-duty service. The Foundation is also legally able to prepare, present, and prosecute Veterans Affairs disability claims. The primary source of funding for the Foundation is contributions from individuals and organizations.

Basis of Presentation

The Foundation is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that are more restrictive than the Foundation's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Contributions and Grants

The Foundation records contributions and grants in accordance with Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Contributions and grants are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets or funds. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Furniture and Equipment

Purchased furniture and equipment are stated at cost. Donated assets are recorded at estimated market value at the date of donation. Depreciation is computed using the double declining balance method over the estimated useful lives of three to five years for equipment and seven years for furniture.

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

Investments

The Foundation carries investments in marketable securities at their fair value in the statements of financial position. Investment income (loss) is reported net of fees. Unrealized gains and losses are included in investment income (loss) in the accompanying statement of activities.

Income Taxes

The Green Beret Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, as such, qualifies for the maximum charitable contributions deduction by donors. As of December 31, 2024, the tax years that remain subject to examination by taxing authorities begin with 2021.

Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel expenses which are allocated on the basis of estimates of time and effort, as well as professional fees; rent, housing, and storage; educational and program; informational technology; and various other expenses which are allocated on the basis of square footage or some other reasonable basis.

Use of Estimates

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

Exchange Transactions

The Foundation recognizes revenue related to exchange transactions in accordance with ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The Foundation records revenues from exchange transactions as increases in net assets without donor restrictions to the extent that the earnings process is complete. These transactions primarily include participation fees for fundraising events, event sponsorships, and sales of merchandise. Participant fees and sponsorships are variable depending on the event. Performance obligations are satisfied when the event/sale occurs, at which time the revenue is recognized. There are no amounts in excess of the benefit provided. There were no contract assets or receivables related to these exchange transactions at December 31, 2024, December 31, 2023, or January 1, 2023. Disaggregation of revenue is presented on the face of the statement of activities.

Contract liabilities consist primarily of amounts received in connection with the Foundation's fundraising events that will take place in future periods. Contract balances for exchange transactions related to deferred revenue were as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Beginning of Year	\$ -	\$ 22,759
End of Year	\$ -	\$ -

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

Leases

The Foundation may have lease agreements that contain both lease and non-lease components as defined by ASU 2016-02, *Leases* (Topic 842). The Foundation has elected the practical expedient, by class of underlying asset, to account for lease and non-lease components as a single lease component. The underlying asset is office space recognized as a right-of-use asset in the statements of financial position.

As the Foundation's leases do not provide an implicit rate, a risk-free rate is used based on the information available at commencement date in determining the present value of lease payments. The risk-free rate is the rate of a zero-coupon U.S. Treasury instrument for the same period of time as the lease term.

NOTE 2 - CONCENTRATIONS OF CREDIT RISK

The Foundation maintains its cash accounts in multiple financial institutions. The Foundation also holds various investments with an investment company. The Federal Deposit Insurance Corporation insures cash accounts up to \$250,000 per bank, while the Securities Investor Protection Corporation insures the balances in investment accounts up to \$500,000. At December 31, 2024 and 2023, the uninsured balances in the Foundation's cash and investment accounts totaled \$4,928,701 and \$3,843,183, respectively, without consideration of reconciling items.

NOTE 3 - INVENTORY

The Foundation transitioned from an inventory-based to a drop-ship arrangement for its online shop for the year ended December 31, 2023. The Foundation no longer maintains inventory in anticipation of sales and liquidated its remaining inventory in early 2024. Inventory consisted of merchandise available for sale through the Foundation's online shop. Inventory was \$- and \$38,741 as of December 31, 2024 and 2023, respectively. Shipping costs associated with inventory are included in cost of goods sold in the statement of functional expenses.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

The Foundation receives contributions from individuals and organizations. As of December 31, 2024 and 2023, the Foundation had \$113,133 and \$71,295, respectively, in contributions receivable. The Foundation considers all contributions to be fully collectible; therefore, no allowance for uncollectible accounts is considered necessary.

NOTE 5 - FUNDRAISING EVENTS

The Foundation holds fundraising events each year. As discussed in Note 1, fundraising events are considered exchange transactions. For the years ended December 31, 2024 and 2023, the exchange portion of fundraising event income was \$474,941 and \$413,537, respectively. The amount in excess of this exchange portion is considered contribution income.

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 6 - FURNITURE AND EQUIPMENT

Furniture and equipment were as follows at December 31:

	2024	2023
Furniture and equipment	\$ 67,065	\$ 67,095
Less accumulated depreciation	(52,181)	(43,995)
Total	\$ 14,884	\$ 23,070

Depreciation expense was \$8,186 and \$18,297 for the years ended December 31, 2024 and 2023, respectively.

NOTE 7 - INVESTMENTS

The fair value of investments was as follows at December 31:

	2024	2023
Cash/money market funds	\$ 2,054	\$ 4,418
Mutual funds	2,858,402	3,744,734
Total	\$ 2,860,456	\$ 3,749,152

The following schedule summarizes the return from investments for the years ended December 31:

	2024	2023
Interest and dividend income	\$ 185,713	\$ 122,953
Unrealized gains	141,662	303,296
Fees	(5,787)	(6,926)
Total	\$ 321,588	\$ 419,323

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Purpose-restricted net assets were as follows at December 31:

	2024	2023
Health and wellness	\$ 784,396	\$ 780,803
Scholarships	615,666	117,056
Warrior fund	197,740	-
Concussion program	10,000	-
Total	\$ 1,607,802	\$ 897,859

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 9 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Foundation follows the provisions of ASC 820, “Fair Value Measurements and Disclosures”. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market, and establishes a framework for measuring fair value in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

The valuation techniques required by ASC 820 are based upon observable and unobservable inputs, and ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority.
- Level 2 valuations are based on quoted prices in markets that are not active.
- Level 3 valuations are based on inputs that are unobservable and supported by little or no market activity.

The Foundation’s current assets and liabilities as presented in the statements of financial position are Level 1. The Foundation has no Level 2 or Level 3 assets or liabilities. The carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of those instruments.

The Foundation’s financial instruments also includes investments. The fair values of investments are based on quoted market prices for those or similar investments.

The following table represents investments measured at fair value on a recurring basis as reported in the statement of financial position as of December 31, 2024 by level within the fair value measurement hierarchy:

	Total Fair Value Measurement	Level 1	Level 2	Level 3
Cash/money market funds	\$ 2,054	\$ 2,054	\$ -	\$ -
Mutual funds	2,858,402	2,858,402	-	-
Total	\$ 2,860,456	\$ 2,860,456	\$ -	\$ -

The following table represents investments measured at fair value on a recurring basis as reported in the statement of financial position as of December 31, 2023 by level within the fair value measurement hierarchy:

	Total Fair Value Measurement	Level 1	Level 2	Level 3
Cash/money market funds	\$ 4,418	\$ 4,418	\$ -	\$ -
Mutual funds	3,744,734	3,744,734	-	-
Total	\$ 3,749,152	\$ 3,749,152	\$ -	\$ -

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 10 - RIGHT-OF-USE OPERATING LEASE

In May 2022, the Foundation signed a 60-month lease for office space with the base rent starting at \$2,955 per month plus additional rent estimated at \$1,034 per month for janitorial and electrical services which are billed separately. The base rent escalates annually to a maximum of \$3,049 for the last year. Effective May 31, 2024, the Foundation discontinued this lease with an assignment and assumption agreement with another organization. The lease was treated as a right-of-use operating lease as ownership does not transfer at the end of the lease term. The balance of the right-of-use leased asset was \$-0- and \$80,515 at December 31, 2024 and 2023, respectively. The balance of the right-of-use lease payable was \$-0- and \$82,150 at December 31, 2024 and 2023, respectively. Lease expense was \$14,630 and \$35,111, respectively, for the years ended December 31, 2024 and 2023, and is included in rent, housing, and storage expense in the statement of functional expenses.

NOTE 11 - JOINT COSTS ALLOCATION

The Foundation holds various events throughout the year which have joint program and fundraising functions. For the year ended December 31, 2024, total expense related to joint activities was \$594,587, of which \$572,907 was allocated to fundraising. For the year ended December 31, 2023, the total expense was \$494,665, of which \$441,815 was allocated to fundraising. The amounts not allocated to fundraising were allocated to program functions.

NOTE 12 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of donor-stipulated restrictions.

	<u>2024</u>	<u>2023</u>
Cash	\$ 2,818,992	\$ 861,007
Investments	2,860,456	3,749,152
Contributions receivable	<u>113,133</u>	<u>71,295</u>
Total financial assets, excluding noncurrent receivables	5,792,581	4,681,454
Donor restrictions	<u>(1,607,802)</u>	<u>(897,859)</u>
Financial assets available to meet cash needs for expenditures within one year	<u>\$ 4,184,779</u>	<u>\$ 3,783,595</u>

The Foundation's primary sources of cash flows are contributions, fundraising events, and grants. These sources provide a consistent inflow of cash throughout the year to meet normal operating expenses. The Foundation currently has enough financial assets on hand to meet over 12 months of normal operating expenses which are, on average, approximately \$333,000 per month, given full programmatic expenditures.

NOTE 13 - EMPLOYEE RETIREMENT PLAN

The Foundation established a 401(k) Profit Sharing Plan with the Principal Financial Group effective September 1, 2022. All employees are eligible to participate the month after employment begins and may defer as much as 100% of their salary. The investments of the plan are selected by the Foundation. The Foundation has a discretionary match provision for all employees who are active participants at the time of the match. Retirement plan expenses totaled \$30,859 and \$-0- for the years ended December 31, 2024 and 2023, respectively.

GREEN BERET FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 14 - IN-KIND CONTRIBUTIONS

The Foundation reports contributed goods and services in accordance with ASU 2020-07, *Presentation and Disclosures by Non-for-Profit Entities for Contributed Nonfinancial Assets*. The Foundation receives contributed goods primarily in the form of event auction items and supplies and donated services from individuals for programmatic and event activities. Contributed goods are reported as contributions at their estimated fair value on the date of receipt and reported as expense when utilized. Contributed goods are valued based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. The value for donated services is based on conservative hourly rates determined by management from current market rates in relation to the type of service received.

Contributed goods and services were as follows for the years ended December 31:

	2024	2023
Event auction items	\$ 100,265	\$ 47,265
Supplies	2,000	650
Event services	17,905	-
Total contributed goods and services	\$ 120,170	\$ 47,915

Contributed goods of \$2,000 and \$650, respectively, are included in in-kind contributions in the statement of activities and did not have donor restrictions for the years ended December 31, 2024 and 2023. Contributed services of \$17,905 and \$-0-, respectively, are included in in-kind contributions in the statement of activities and did not have donor restrictions for the years ended December 31, 2024 and 2023. Contributed goods of \$100,265 and \$47,265, respectively, related to fundraising activities are included in fundraising event income, net of direct expenses in the statement of activities and did not have donor restrictions for the years ended December 31, 2024 and 2023.

Donated services received by the Foundation that are from non-professional volunteers not reflected in these financial statements.

NOTE 15 - SUBSEQUENT EVENTS

The Foundation evaluates subsequent events in accordance with ASC Topic No. 855, *“Subsequent Events”*. The guidance requires an entity to disclose the date through which subsequent events have been evaluated, as well as whether that date is the date the financial statements were issued or the date the financial statements were available to be issued. In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through June 25, 2025, the date the financial statements were available to be issued.