

IMMUNE DEFICIENCY FOUNDATION

**YEARS ENDED
DECEMBER 31, 2025 AND 2024**



Brown Plus

ACCOUNTANTS + ADVISORS

IMMUNE DEFICIENCY FOUNDATION

YEARS ENDED DECEMBER 31, 2025 AND 2024

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Independent Auditor's Report

Board of Trustees
Immune Deficiency Foundation
Hanover, Maryland

Opinion

We have audited the accompanying financial statements of Immune Deficiency Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 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 Immune Deficiency Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Immune Deficiency 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 Immune Deficiency 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Immune Deficiency 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 Immune Deficiency 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.

Brown Plus

Frederick, Maryland
July 9, 2026

IMMUNE DEFICIENCY FOUNDATION

**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024**

ASSETS

	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and cash equivalents	\$ 2,553,798	\$ 1,395,606
Investments	7,771,249	7,116,546
Unconditional promises to give	1,171,105	83,166
Prepaid expenses	<u>349,427</u>	<u>218,864</u>
Total current assets	<u>11,845,579</u>	<u>8,814,182</u>
Long-term assets:		
Investments, board-designated endowment	10,367,274	8,836,236
Deferred compensation plan investment	29,455	-
Deposits	117,130	44,630
Property and equipment, net of accumulated depreciation of \$80,371 and \$62,522, respectively	169,389	187,238
Software, net of accumulated amortization of \$575,667 and \$502,117, respectively	40,642	114,192
Operating lease right-of-use asset, net of accumulated amortization of \$198,954 and \$134,980, respectively	<u>741,679</u>	<u>805,653</u>
Total long-term assets	<u>11,465,569</u>	<u>9,987,949</u>
Total assets	<u>\$ 23,311,148</u>	<u>\$ 18,802,131</u>

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024**

LIABILITIES AND NET ASSETS

	<u>2025</u>	<u>2024</u>
Current liabilities:		
Accounts payable and accrued liabilities	\$ 431,121	\$ 298,983
Current portion of operating leases	<u>77,053</u>	<u>70,984</u>
Total current liabilities	<u>508,174</u>	<u>369,967</u>
Long-term liabilities:		
Operating leases	890,331	967,383
Deferred compensation	<u>54,955</u>	<u>24,926</u>
Total long-term liabilities	<u>945,286</u>	<u>992,309</u>
Total liabilities	<u>1,453,460</u>	<u>1,362,276</u>
Net assets:		
Without donor restrictions:		
Undesignated	3,422,954	2,282,007
Board designated	<u>16,019,044</u>	<u>14,272,144</u>
Total net assets without donor restrictions	<u>19,441,998</u>	<u>16,554,151</u>
Net assets with donor restrictions	<u>2,415,690</u>	<u>885,704</u>
Total net assets	<u>21,857,688</u>	<u>17,439,855</u>
Total liabilities and net assets	<u>\$ 23,311,148</u>	<u>\$ 18,802,131</u>

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2025

	Without donor restrictions	With donor restrictions	Total
Support, revenue and gains:			
Contributions and grants	\$ 5,254,616	\$ 2,395,524	\$ 7,650,140
In-kind contributions	1,315,400	-	1,315,400
Other income	45,656	-	45,656
Special events	3,001,026	-	3,001,026
Net investment income	2,012,926	-	2,012,926
Net assets released from restrictions	865,538	(865,538)	-
Total support, revenue and gains	12,495,162	1,529,986	14,025,148
Expenses:			
Program services:			
Medical and scientific	1,517,650	-	1,517,650
Patients and families	5,111,185	-	5,111,185
Total program services	6,628,835	-	6,628,835
Supporting services:			
Administration and finance	1,745,543	-	1,745,543
Marketing and fundraising	1,232,937	-	1,232,937
Total supporting services	2,978,480	-	2,978,480
Total expenses	9,607,315	-	9,607,315
Changes in net assets	2,887,847	1,529,986	4,417,833
Net assets:			
Beginning of year	16,554,151	885,704	17,439,855
End of year	\$ 19,441,998	\$ 2,415,690	\$ 21,857,688

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2024

	Without donor restrictions	With donor restrictions	Total
Support, revenue and gains:			
Contributions and grants	\$ 6,511,185	\$ 825,500	\$ 7,336,685
In-kind contributions	302,129	-	302,129
Government grants and other contract revenue	15,072	-	15,072
Other income	15,870	-	15,870
Special events	2,213,762	-	2,213,762
Net investment income	1,480,847	-	1,480,847
Net assets released from restrictions	1,854,788	(1,854,788)	-
Total support, revenue and gains	12,393,653	(1,029,288)	11,364,365
Expenses:			
Program services:			
Medical and scientific	1,047,079	-	1,047,079
Patients and families	6,062,654	-	6,062,654
Total program services	7,109,733	-	7,109,733
Supporting services:			
Administration and finance	1,356,925	-	1,356,925
Marketing and fundraising	1,374,601	-	1,374,601
Total supporting services	2,731,526	-	2,731,526
Total expenses	9,841,259	-	9,841,259
Changes in net assets	2,552,394	(1,029,288)	1,523,106
Net assets:			
Beginning of year	14,001,757	1,914,992	15,916,749
End of year	\$ 16,554,151	\$ 885,704	\$ 17,439,855

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2025

	Program services			Supporting services			
	Medical and scientific	Patients and families	Total program services	Administrative and finance	Marketing and fundraising	Total supporting services	Total program and supporting services
Salaries and related expenses:							
Salaries	\$ 388,387	\$ 2,235,941	\$ 2,624,328	\$ 946,056	\$ 501,357	\$ 1,447,413	\$ 4,071,741
Employee benefits	59,024	326,842	385,866	182,324	52,476	234,800	620,666
Payroll taxes	29,329	172,794	202,123	69,411	39,202	108,613	310,736
Total salaries and related expenses	476,740	2,735,577	3,212,317	1,197,791	593,035	1,790,826	5,003,143
Expenses before depreciation:							
Advertising	249,725	609,517	859,242	268,433	205,099	473,532	1,332,774
Awards and grants	244,195	21,725	265,920	904	-	904	266,824
Bank fees	48,224	118,405	166,629	52,274	37,127	89,401	256,030
Consulting fees	210,172	713,714	923,886	86,058	70,770	156,828	1,080,714
Dues and subscriptions	23,469	131,148	154,617	24,025	19,763	43,788	198,405
Excise tax	-	553	553	-	-	-	553
Insurance	14,680	14,418	29,098	5,802	5,194	10,996	40,094
Occupancy	19,142	46,903	66,045	20,525	14,949	35,474	101,519
Other expenses	1,571	24,292	25,863	-	12,402	12,402	38,265
Office expenses	5,269	45,510	50,779	21,339	11,480	32,819	83,598
Postage and shipping	18	45,395	45,413	692	26,832	27,524	72,937
Printing and copying	2,570	36,184	38,754	76	43,352	43,428	82,182
Training, conference, conventions and meetings	195,014	357,360	552,374	37,957	169,381	207,338	759,712
Transportation/travel	15,848	150,650	166,498	17,717	14,952	32,669	199,167
Total salaries and expenses before depreciation	1,506,637	5,051,351	6,557,988	1,733,593	1,224,336	2,957,929	9,515,917
Depreciation and amortization	11,013	59,834	70,847	11,950	8,601	20,551	91,398
Total expenses	\$ 1,517,650	\$ 5,111,185	\$ 6,628,835	\$ 1,745,543	\$ 1,232,937	\$ 2,978,480	\$ 9,607,315

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2024

	Program services			Supporting services			
	Medical and scientific	Services to patients and families	Total program services	Administrative and finance	Marketing and fundraising	Total supporting services	Total program and supporting services
Salaries and related expenses:							
Salaries	\$ 373,421	\$ 2,096,004	\$ 2,469,425	\$ 889,772	\$ 536,066	\$ 1,425,838	\$ 3,895,263
Employee benefits	53,769	299,596	353,365	173,792	71,156	244,948	598,313
Payroll taxes	28,043	160,329	188,372	63,904	41,913	105,817	294,189
Total salaries and related expenses	455,233	2,555,929	3,011,162	1,127,468	649,135	1,776,603	4,787,765
Expenses before depreciation:							
Advertising	35,000	49,512	84,512	3,146	308,431	311,577	396,089
Awards and grants	228,661	3,275	231,936	-	-	-	231,936
Bank fees	20,382	95,533	115,915	30,124	31,241	61,365	177,280
Consulting fees	122,129	760,644	882,773	24,043	43,527	67,570	950,343
Dues and subscriptions	14,775	143,536	158,311	35,050	24,968	60,018	218,329
Insurance	12,018	17,386	29,404	5,585	4,621	10,206	39,610
Occupancy	12,497	57,497	69,994	20,194	13,301	33,495	103,489
Other expenses	12,520	22,528	35,048	7,638	3,957	11,595	46,643
Office expenses	6,816	54,818	61,634	36,008	17,361	53,369	115,003
Postage and shipping	5,205	43,158	48,363	1,457	36,137	37,594	85,957
Printing and copying	1,181	50,101	51,282	312	46,419	46,731	98,013
Training, conference, conventions and meetings	95,729	1,800,521	1,896,250	21,457	155,790	177,247	2,073,497
Transportation/travel	11,036	313,677	324,713	23,902	24,922	48,824	373,537
Total salaries and expenses before depreciation	1,033,182	5,968,115	7,001,297	1,336,384	1,359,810	2,696,194	9,697,491
Depreciation and amortization	13,897	94,539	108,436	20,541	14,791	35,332	143,768
Total expenses	\$ 1,047,079	\$ 6,062,654	\$ 7,109,733	\$ 1,356,925	\$ 1,374,601	\$ 2,731,526	\$ 9,841,259

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 4,417,833	\$ 1,523,106
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization expense	73,550	126,481
Depreciation expense	17,848	17,287
Donated securities	(22,821)	(45,647)
Realized (gain) loss on investments	(171,803)	3,714
Unrealized gain on investments	(1,390,304)	(1,004,201)
Investment income, net	(450,819)	(480,360)
Changes in operating accounts:		
(Increase) decrease in:		
Accounts receivable	-	18,506
Unconditional promise to give	(1,087,939)	(3,267)
Prepaid expenses	(130,563)	62,300
Deposits	(72,500)	-
Operating lease right-of-use asset	63,974	61,392
Increase (decrease) in:		
Accounts payable and accrued liabilities	132,138	(9,189)
Deferred compensation	30,029	24,926
Refundable advance	-	(26,695)
Operating leases	(70,983)	(65,234)
Net cash provided by operating activities	<u>1,337,640</u>	<u>203,119</u>
Cash flows from investing activities:		
Proceeds from sales of investments	565,000	3,554,301
Purchases of investments	(744,448)	(3,707,941)
Net cash used in investing activities	<u>(179,448)</u>	<u>(153,640)</u>
Net change in cash and cash equivalents	1,158,192	49,479
Cash and cash equivalents:		
Beginning of year	<u>\$ 1,395,606</u>	<u>\$ 1,346,127</u>
End of year	<u>\$ 2,553,798</u>	<u>\$ 1,395,606</u>
Supplemental schedule of noncash financing activities:		
Reinvested investment income, net	\$ 450,819	\$ 480,360

See notes to financial statements.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Nature of activities and significant accounting policies:

Nature of activities:

Immune Deficiency Foundation (the Foundation) is a Delaware nonprofit organization without members, headquartered in Maryland, dedicated to improving the diagnosis, treatment and quality of life of persons with primary immunodeficiency diseases through advocacy, education and research. The Foundation gathers, coordinates and disseminates information and conducts educational campaigns in order to increase family and public awareness concerning the diseases. The Foundation also engages in fundraising activities in support of its goal, primarily sources of support and revenues are from government grants and contracts, foundation grants and individual and corporate donations and contributions.

Basis of accounting:

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities. As such, revenue is recognized when earned and expenditures when incurred.

Cash and cash equivalents:

The Foundation considers all cash and highly liquid investments with a maturity of three months or less to be cash and cash equivalents. Certificates of deposits and money market funds held for investment purposes are excluded from this classification.

Investments:

Investments in marketable securities with readily determinable market values and all investments in debt and equity securities are valued at their market values, which is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers, with gains and losses included in the statements of activities. Investment income is recorded as income with or without donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Unconditional promises to give:

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows, as management believes that this is the most accurate method of reporting the receivables and related revenues. At December 31, 2025, management expects to collect all unconditional promises to give within the next year; and therefore, the entire balance is reported as current on the statements of financial position.

Prepaid expenses:

Prepaid expenses include amounts paid for employee travel and conferences, employee benefits, rent, insurance and other items which relate to the following year.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Nature of activities and significant accounting policies (continued):

Property and equipment:

Property and equipment are reported at cost, if purchased, or at fair value, if donated. Donations are reported as contributions without donor restrictions unless the donor restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire fixed assets, are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Depreciation is provided on a straight-line basis over the estimated useful lives of the depreciable assets, which range from 3 to 12 years. The Foundation generally capitalizes property and equipment, which provide benefits that have a cost, if purchased, or fair value, if donated, of greater than \$5,000.

Software:

Software and website costs are amortized over the estimated useful life of the asset, which is three years. Amortization expense totaled \$73,550 and \$126,481 for years ended December 31, 2025 and 2024, respectively.

Net assets:

The Foundation reports information regarding its financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions - Net assets without donor restrictions are resources that are currently available to support the Foundation's operations and not subject to donor-imposed restrictions.

Net assets with donor restrictions - Net assets with donor restrictions are resources that may be utilized only in accordance with the restricted purpose established by the donor. The restriction may require the passage of time or the occurrence of a specific event to trigger the release of the restriction. The Foundation considers all contributions that are designated to a particular program to be transferred to net assets without donor restrictions when the terms of the restrictions have been met.

Support and revenue:

Contributions and grants, government grants and other contract revenue and special events revenue are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Management has determined the Foundation's contributions and grants are considered nonexchange transactions, and therefore, are recognized when a promise to give becomes unconditional.

The Foundation also receives conditional promises to give from donors. When conditional contributions and grants are received before the applicable conditions have been met, the appropriate amount is recorded as refundable advances. Conditions will typically be met within one year, at which point the contribution will be recognized. When conditions are met before receipt of funds, the appropriate amount is recorded as an unconditional promise to give. Amounts due from various donors are deemed fully collectable.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Nature of activities and significant accounting policies (continued):

Donated services:

The Foundation receives a significant amount of donated services from unpaid volunteers. No amounts relating to these donated services have been recognized in the statements of activities as contributions because the criteria for recognition have not been satisfied. From time to time, the Foundation receives donated services from corporations. They are recognized if the services received: a) create or enhance long-lived assets or b) require specialized skills are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Functional expenses:

The costs of providing the various programs have been summarized on a functional basis in the statements of functional expenses. The statements of functional expenses present natural classification of expenses by function.

Expenses are charged to program services, administrative and finance and marketing and fundraising on the basis of actual invoice received. Administrative and finance expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Foundation. Certain administrative personnel expenses, such as salaries, payroll taxes and employee benefits, are allocated to each functional expense category based on the responsibilities and duties of the administrative personnel. Those expenses which cannot be directly traced to a function are allocated based on the budgeted percentage of total expenses for each function.

Leases:

The Foundation combines and accounts for lease and nonlease components as a single lease component for leases of real estate. The discount rates related to the Foundation's lease liabilities are general based on a risk-free rate as the discount rates implicit in the Foundation's leases and the Foundation's incremental borrowing rate cannot be readily determined. The Foundation has elected the short-term lease exceptions to not recognize leases with a lease term of 12 months or less on the statements of financial position. Variable lease payments are also not included in the statements of financial position and are recognized as expense in the period when the changes in facts and circumstances on which the variable payment is based occurs.

Advertising costs:

The Foundation expenses advertising costs as incurred.

Tax-exempt status:

The Foundation is incorporated under the laws of the State of Delaware as a nonprofit organization. The Foundation has elected under provisions of Internal Revenue Code (IRC) Section 501(c)(3) and state income tax statutes to be excluded from taxes on exempt function income. Therefore, no provision is made for taxes on income. The Foundation is subject to an excise tax on excess lobbying expenditures under IRC Section 4911.

The Foundation's tax returns for 2025, 2024, 2023 and 2022 are subject to examination by the IRS and state tax authorities generally for three years after they were filed. The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Nature of activities and significant accounting policies (continued):

Estimates:

Management uses estimates and assumptions in preparing the financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Reclassifications:

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the preparation in the current financial statements.

2. Concentrations:

The Foundation maintains its cash deposits in several financial institutions. Cash deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2025, the cash deposits exceed the limit by \$1,999,963, representing the maximum loss risk.

The institutions holding the Foundation's investments are members of the Securities Investor Protection Corporation (SIPC). SIPC insures the cash and securities in each investor's account up to \$500,000 against loss in the case of a failed brokerage firm or misappropriation of assets by the broker; however, only up to \$250,000 of the total coverage can be applied to cash. As of December 31, 2025, the investments exceeded the limit by \$15,514,272, representing the maximum loss risk.

3. Financial assets and liquidity resources:

The following reflects the Foundation's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of December 31:

	2025	2024
Cash and cash equivalents	\$ 2,553,798	\$ 1,395,606
Investments	18,138,523	15,952,782
Promises to give available for current use	1,171,105	83,166
Financial assets as of December 31	21,863,426	17,431,554
Those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions	(2,415,690)	(885,704)
Board designations, endowment fund, primarily for long-term investing	(10,367,274)	(8,836,236)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 9,080,462</u>	<u>\$ 7,709,614</u>

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

3. Financial assets and liquidity resources (continued):

The Foundation's Board of Trustees has designated various funds for programs which are ongoing, major and central to the operations of the Foundation. Management considers these designated funds to be available to meet cash needs for expenditures. As part of the Foundation'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.

4. Quasi-endowment funds:

The Foundation's endowments consist of three individual funds established through net assets without donor restrictions designated by the Board of Directors to function as a general endowment for the purpose of providing support for the programs and overall operations of the Foundation. Since the funds are not donor restricted, they are classified and reported as net assets without donor restrictions.

Composition of and changes in the quasi-endowment and quasi-endowment net assets were as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Investments, board designated and net assets without donor restrictions, board designated, beginning of year	\$ 8,836,236	\$ 7,173,807
Contributions	315,000	750,000
Investment return, net	<u>1,216,038</u>	<u>912,429</u>
Investments, board designated and net assets without donor restrictions, board designated, end of year	<u><u>\$ 10,367,274</u></u>	<u><u>\$ 8,836,236</u></u>

Return objectives, risk parameters, strategies for achieving objectives and spending policy:

The Foundation has adopted investment and spending policies for quasi-endowment assets that attempt to achieve long-term capital growth while avoiding excessive risk and achieving preservation of purchasing power. To manage risk in the fund, the investment policy is to be reviewed annually by the Board of Directors for any necessary revisions. To satisfy its long-term objective, the Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments. The Foundation employs an investment management firm to manage the quasi-endowment funds. The investment strategy for all of the Foundation's investments is under the oversight of the Board of Directors.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

5. Investments:

Investments are stated at fair market value and consisted of the following at December 31:

	2025		2024	
	Cost	Fair value	Cost	Fair value
Demand deposits	\$ 328,390	\$ 328,390	\$ 326,464	\$ 326,464
Money market funds	1,166,836	1,166,894	864,225	864,225
Certificates of deposit	1,500,000	1,501,153	1,750,000	1,751,360
Equity:				
Mutual funds	5,641,328	9,167,046	5,391,632	7,577,969
Securities	991,999	1,269,817	970,668	1,159,695
Fixed income:				
Mutual funds	3,409,068	3,316,043	3,852,283	3,718,353
Debt securities	1,416,259	1,389,180	548,187	554,716
Totals	<u>\$ 14,453,880</u>	<u>\$ 18,138,523</u>	<u>\$ 13,703,459</u>	<u>\$ 15,952,782</u>

Investment income was as follows for the years ended December 31:

	2025	2024
Interest and dividends	\$ 535,773	\$ 551,899
Fees	(84,954)	(71,539)
Net realized gains (losses) on sales of investments	171,803	(3,714)
Net unrealized gains on investments held	<u>1,390,304</u>	<u>1,004,201</u>
Total investment income	<u>\$ 2,012,926</u>	<u>\$ 1,480,847</u>

6. Fair value measurements:

The Foundation uses a framework for measuring fair value that prioritizes the inputs to valuation techniques used to measure fair value hierarchy. The following are the major categories of assets measured at fair value on a recurring basis those using quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2) and significant unobservable inputs (Level 3). The Foundation has no assets or liabilities categorized as Level 3.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

6. Fair value measurements (continued):

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value:

Certificates of deposit and debt securities: Valued based on significant other observable inputs, a Level 2 input.

Stocks and mutual funds: Valued at the quoted price in the active market for identical securities, a Level 1 input.

The preceding methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values.

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

	2025		
	Level 1	Level 2	Total
Certificates of deposit	\$ -	\$ 1,501,153	\$ 1,501,153
Equity:			
Mutual funds	9,167,046	-	9,167,046
Securities	1,269,817	-	1,269,817
Fixed income securities:			
Mutual funds	3,316,043	-	3,316,043
Debt securities	-	1,389,180	1,389,180
Total investments at fair value	13,752,906	2,890,333	16,643,239
Cash held in investments	1,495,284	-	1,495,284
Deferred compensation plan investments, mutual funds	29,455		29,455
Total investments and cash held in investments	<u>\$ 15,277,645</u>	<u>\$ 2,890,333</u>	<u>\$ 18,167,978</u>

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

6. Fair value measurements (continued):

	2024		
	Level 1	Level 2	Total
Certificates of deposit	\$ -	\$ 1,751,360	\$ 1,751,360
Equity:			
Mutual funds	7,577,969	-	7,577,969
Securities	1,159,695	-	1,159,695
Fixed income securities:			
Mutual funds	3,718,353	-	3,718,353
Debt securities	-	554,716	554,716
Total investments at fair value	12,456,017	2,306,076	14,762,093
Cash held in investments	1,190,689	-	1,190,689
Total investments and cash held in investments	<u>\$ 13,646,706</u>	<u>\$ 2,306,076</u>	<u>\$ 15,952,782</u>

7. Property and equipment:

Property and equipment, at cost, consisted of the following at December 31:

	2025	2024
Equipment	\$ 18,536	\$ 18,536
Furniture and fixtures	17,267	17,267
Leasehold improvements	213,957	213,957
	249,760	249,760
Accumulated depreciation	(80,371)	(62,522)
Total	<u>\$ 169,389</u>	<u>\$ 187,238</u>

8. Lease commitments:

In 2022, the Foundation signed a lease for office space. The lease commenced in October 2022 and is for a term of seven years and four months, set to expire in January 2030, with a five-year renewal option to January 2035. The renewal option periods have been included within the lease term as management has determined the Foundation is reasonably certain to exercise that right. The base rent for the office space is \$8,565 per month with an escalated rent payment of 3.00% beginning the first day of each subsequent lease year.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

8. Lease commitments (continued):

The Foundation recognizes lease expense on a straight-line basis over the term of the lease, considering lessor incentives for tenant improvements, periods where no rent payment is required and escalations in rent payments over the term of the lease. The Foundation's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

The discount rate used in determining the liability was 3.79%, which was the treasury bill rate at the commencement of the lease. The remaining lease term is 9 years and 1 month.

Rent expense was \$101,519 and \$103,489 for the years ended December 31, 2025 and 2024, respectively.

Future minimum payments for the operating lease are as follows:

<u>Year ending December 31,</u>	
2026	\$ 112,038
2027	115,399
2028	118,861
2029	122,427
2030	126,100
Thereafter	<u>555,237</u>
Total future undiscounted lease payments	1,150,062
Less imputed interest	<u>182,678</u>
Lease liability	<u><u>\$ 967,384</u></u>

9. Deferred compensation:

During 2024, the Foundation established a nonqualified deferred compensation plan for one member of management. Under the terms of the plan, the Foundation may, at its discretion and based on the employee's performance, contribute up to 10% of the employee's annual salary to the plan.

Contributions are held in a grantor trust and remain the property of the Foundation until vesting occurs. The vesting schedule provides for 50% of the contributions to vest after two years of service from the contribution date, with the remaining 50% vesting after three years. Until vested, the assets remain subject to forfeiture and are considered assets of the Foundation and available to its general creditors.

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

10. Conditional promises to give:

Conditional promises to give are not included as revenue or unconditional promises to give until such time as the conditions are substantially met. The following conditional promises to give exist where the condition has not yet been achieved at December 31, 2025:

<u>Purpose</u>	<u>Condition</u>	<u>Amount</u>
Clinician awareness campaign and educational material distribution	Incur qualifying costs	\$ 812,430

11. Net assets, restrictions and designations:

The Board of Directors has designated net assets without donor restrictions for the following purposes at December 31:

	<u>2025</u>	<u>2024</u>
Endowment (see Note 4)	\$ 10,367,274	\$ 8,836,236
Program	5,028,773	4,628,464
Research investment	546,587	725,469
Primary Immunodeficiency Research Consortium (PIRC)	<u>76,410</u>	<u>81,975</u>
Total board-designated net assets	<u>\$ 16,019,044</u>	<u>\$ 14,272,144</u>

IMMUNE DEFICIENCY FOUNDATION

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2025 AND 2024

11. Net assets, restrictions and designations (continued):

Net assets with donor restrictions were available for the following purposes as of December 31:

	2025	2024
Time restrictions:		
2025 walks	\$ -	\$ 7,500
2026 walks	15,000	-
Advocacy	465,000	37,000
Core services	940,000	475,000
Immunocompromised collaborative	-	50,000
Life stages initiative	175,000	90,000
Medical education and outreach	60,000	50,000
Research project	25,000	30,000
PI conference	337,200	-
Undiagnosed and underserved	150,000	55,000
	<u>2,167,200</u>	<u>794,500</u>
Purpose restrictions:		
Advocacy	69,936	-
CGD initiative	-	60
CVID initiative	-	17,160
David Salamone Fund	-	7,606
Gene therapy	1,699	1,764
Mirical/PRIDE Survey	29,283	-
Patient and family handbook	99,105	-
Research project	37,018	52,110
SCID initiative	-	1,000
Transition guide	6,770	6,825
USIDNET	4,679	4,679
	<u>248,490</u>	<u>91,204</u>
Total net assets with donor restrictions	<u>\$ 2,415,690</u>	<u>\$ 885,704</u>

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024

For the year ended December 31, 2025, gifts in kind recognized within the statements of activities included:

For the year ended December 31, 2024, gifts in kind recognized within the statements of activities included:

13. Retirement plan:

14. Subsequent events:

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