Financial Statements

Ronald McDonald House Charities of Idaho, Inc.

(a nonprofit organization)

For the years ended December 31, 2025 and 2024

sorren CPAs, PC

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ronald McDonald House Charities of Idaho, Inc.
Boise, Idaho

Opinion

We have audited the consolidated financial statements of Ronald McDonald House Charities of Idaho, Inc., which comprise the consolidated statements of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Ronald McDonald House Charities of Idaho, Inc. as of December 31, 2025, 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 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 Ronald McDonald House Charities of Idaho, Inc. 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 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 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 Ronald McDonald House Charities of Idaho, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

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Auditor's Responsibilities for the Audit of the 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 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 Ronald McDonald House Charities of Idaho, Inc.'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 Ronald McDonald House Charities of Idaho, Inc.'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 Ronald McDonald House Charities Of Idaho, Inc.'s December 31, 2024 financial statements and expressed an unmodified opinion on those statements on July 8, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sorren CPAs P.C.

Meridian, Idaho
July 9, 2026

RONALD MCDONALD HOUSE CHARITIES OF IDAHO, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2025
With Comparative Totals as of December 31, 2024

	2025	2024
ASSETS		
Assets		
Cash and cash equivalents	$ 2,077,101	$ 1,306,249
Investments	8,453,922	9,369,287
Accounts receivable	201,149	233,712
Pledges receivable, net	65,000	6,982
Prepaid expenses	11,016	29,411
Property and equipment, net	15,408,366	13,637,435
Total Assets	$ 26,216,554	$ 24,583,076
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	$ 81,627	$ 43,043
Accrued wages, benefits, and payroll taxes	108,098	91,479
Deferred revenue	61,661	45,825
Total Liabilities	251,386	180,347
Net Assets		
Without donor restrictions	25,398,968	23,856,529
With donor restrictions	566,200	546,200
Total Net Assets	25,965,168	24,402,729
Total Liabilities and Net Assets	$ 26,216,554	$ 24,583,076

See notes to consolidated financial statements.

RONALD MCDONALD HOUSE CHARITIES OF IDAHO, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2025
With Comparative Totals for the Year Ended December 31, 2024

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues and Other Support				
Contributions	$ 2,252,100	$ 25,000	$ 2,277,100	$ 1,877,669
Special events, net	412,485		412,485	470,235
Contributed nonfinancial assets	707,845		707,845	348,581
Investment income	1,228,222	82,691	1,310,913	835,900
Rental income	34,354		34,354	0
	4,635,006	107,691	4,742,697	3,532,385
Net assets released from restrictions	87,691	(87,691)	0	0
Total Revenue	4,722,697	20,000	4,742,697	3,532,385
Expenses				
Program services				
Ronald McDonald House	1,826,396		1,826,396	1,566,689
Family Room	300,906		300,906	215,076
Hospitality Cart	8,675		8,675	2,360
Total Program Services	2,135,977	0	2,135,977	1,784,125
Supporting services				
Administrative	637,244		637,244	605,563
Fundraising	407,037		407,037	346,211
Total Supporting Services	1,044,281	0	1,044,281	951,774
Total Expenses	3,180,258	0	3,180,258	2,735,899
Change in Net Assets	1,542,439	20,000	1,562,439	796,486
Net Assets				
Beginning of Year	23,856,529	546,200	24,402,729	23,606,243
End of Year	$ 25,398,968	$ 566,200	$ 25,965,168	$ 24,402,729

See notes to consolidated financial statements.

RONALD MCDONALD HOUSE CHARITIES OF IDAHO, INC.
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2025
With Comparative Totals for the Year Ended December 31, 2024

	Program Services						
	Ronald McDonald House	Family Room	Hospitality Cart	Administrative	Fundraising	2025 Total	2024 Total
Salaries	$ 688,417	$ 76,491	$	$ 242,221	$ 267,718	$ 1,274,847	$ 1,232,671
Family support services and supplies	279,759	102,329	8,675		420	391,183	126,803
Depreciation	319,011			47,135		366,146	350,508
Cleaning services and supplies	315,229	19,151				334,380	328,032
Professional fees	14,108	4,703		128,514	20,135	167,460	105,192
Employee benefits	17,531	1,948		76,919	6,818	103,216	93,945
Payroll taxes	54,288	6,032		19,101	21,112	100,533	101,235
Rent		70,610				70,610	62,051
Maintenance and repairs	58,847			9,109	63	68,019	52,571
Utilities	47,727	9,035		4,202		60,964	58,660
Advertising	890	215		1,110	57,057	59,272	33,447
Insurance	7,561			44,609		52,170	41,405
Technology	7,505	2,391		19,244	4,113	33,253	44,347
Meetings, education, and training	4,939	160		13,958	1,488	20,545	47,151
Office supplies		7,538		3,855	5,135	16,528	6,649
Volunteer resources and recognition	1,421			34	14,396	15,851	11,716
Bank charges				11,376	958	12,334	13,116
Telephone	8,213			182		8,395	10,254
Printing and publishing	950			4,262	1,820	7,032	6,523
Property taxes				5,928		5,928	
Donation box expenses					4,358	4,358	3,160
Postage and courier		88		3,625	235	3,948	3,764
Dues and subscriptions		215		1,860	1,211	3,286	2,699
	$ 1,826,396	$ 300,906	$ 8,675	$ 637,244	$ 407,037	$ 3,180,258	$ 2,735,899

See notes to consolidated financial statements.

RONALD MCDONALD HOUSE CHARITIES OF IDAHO, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2025
With Comparative Totals for the Year Ended December 31, 2024

	2025	2024
Cash Flow From Operating Activities		
Change in net assets	$ 1,562,439	$ 796,486
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	366,146	350,508
Net unrealized loss (gain) on investments	35,930	(383,580)
Net realized loss (gain) on investments	(793,780)	116,148
Changes in operating assets and liabilities:		
Accounts receivable	32,563	(100,391)
Pledges receivable	(58,018)	361,160
Prepaid expenses	18,395	10,312
Accounts payable	38,584	(2,158)
Accrued wages, benefits and payroll taxes	16,619	15,608
Deferred revenue	15,836	16,149
Net Cash Provided by Operating Activities	1,234,714	1,180,242
Cash Flow From Investing Activities		
Purchase of investments	(2,040,154)	(3,405,160)
Proceeds from sale of investments	3,713,369	2,456,045
Purchase of property and equipment	(2,137,077)	(26,649)
Net Cash Used in Investing Activities	(463,862)	(975,764)
Net Change in Cash and Cash Equivalents	770,852	204,478
Cash and Cash Equivalents – Beginning of Year	1,306,249	1,101,771
Cash and Cash Equivalents – End of Year	$ 2,077,101	$ 1,306,249

See notes to consolidated financial statements.

Note A – Significant Accounting Policies

Nature of Organization

Ronald McDonald House Charities Of Idaho, Inc., (the Organization) is an Idaho nonprofit charitable corporation formed in 1987. The mission of the Organization is to provide essential services that remove barriers, strengthen families, and promote healing when children need healthcare. Collectively, Ronald McDonald House Charities and the local chapters ascribe to four core values: we lead with compassion, we are deeply respectful, we act with integrity, and we are firmly committed to our mission and supporting families.

We fulfill our mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum, and strengthen families during difficult times. The following programs, operated by the Organization, represent the core functions of Ronald McDonald House Charities of Idaho, Inc.:

Ronald McDonald House – When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. The Organization helps families stay close to their ill or injured child through the Ronald McDonald House program located in Boise, Idaho, which provides temporary lodging, meals, and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers' ability to spend more time with their child, to interact with their clinical care team, and to participate in critical medical care decisions.

Ronald McDonald Family Room – When a child is critically ill, parents may be reluctant to leave the hospital. In order to provide comfort and support to their child, it is important that parents have an opportunity to rest, have a meal, or have a moment of quiet. Located inside medical care facilities, the Ronald McDonald Family Room program in the Eastern Idaho Regional Medical Center, located in Idaho Falls, Idaho, serves as a place of respite, relaxation, and privacy for family members, often just steps away from where their child is being treated. The Ronald McDonald Family Room program provides parents with an opportunity to remain close to their hospitalized child and to be an active member of their child's health care team.

Ronald McDonald Hospitality Carts – Designed to serve families who choose to stay at their child's bedside, the hospitality carts provide a bit of comfort and care within the hospital. There are three hospitality carts serving families across southern Idaho with books, activities, games, toys, and more. Run by volunteers at each hospital, carts are active between 1-5 days a week depending on location and bring a smile, comfort, and care to hundreds of families each month.

Note A – Significant Accounting Policies (Continued)

Basis of Consolidation

The accompanying consolidated financial statements present the consolidation of Ronald McDonald House Charities of Idaho, Inc. and Eoff House LLC. The Organization created Eoff House LLC on August 28, 2025. All intercompany transactions and balances have been eliminated in the consolidated statements.

Basis of Accounting

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

Basis of Presentation

The Organization reports net assets and revenues, expenses, gains and losses according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

C*ash and Cash Equivalents*

The Organization considers its short-term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation for up to $250,000. Investments held in brokerage accounts are insured by the Securities Investor Protection Act for up to $500,000. The Organization's cash balances that are maintained in bank accounts may exceed these limits from time to time. The Organization has not experienced any losses in such accounts and management believes that it is not exposed to any significant credit risk on cash.

Accounts Receivable

Receivables are stated at the amount management expects to collect from outstanding balances. Management has assessed all receivables for collectability and believes all are fully collectable. At December 31, 2025 and 2024, management determined that no allowance was necessary.

Note A – Significant Accounting Policies (Continued)

Promises to Give

Unconditional promises to give are recorded when pledged. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using the Organization's expected borrowing rate applicable to the years in which the promises are received to discount the amounts.

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Fair Value

The Organization uses fair value reporting for financial assets and liabilities. A hierarchy for reporting the reliability of input measurements is used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established, prioritizes fair value measurements based on the types of inputs used in the valuation technique. Certain financial instruments are carried at cost on the balance sheet, which approximates fair value due to their short term, highly liquid nature.

Property and Equipment

Property and equipment is stated at cost or, if donated, at the estimated fair market value at the date of donation. Expenditures for major renewals and betterments that extend the useful lives of furniture and equipment that cost over $5,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from five to forty years.

Deferred Revenue

The Organization receives sponsorship fees for future events. The fees are deferred and recognized when the event occurs.

Note A – Significant Accounting Policies (Continued)

Contributions and Donor Imposed Restrictions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions which increase the corresponding net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a 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 restriction.

Contribution of Nonfinancial Assets

The Organization records in-kind goods based on the fair value as described in generally accepted accounting principles. The Organization recognizes donated services if they create or enhance non-financial assets or require specialized skills and would typically be purchased if not provided by donation. In-kind contributions are recognized as revenue when received and as expenditures when the resources are consumed.

Functional Allocation of Expense

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. Advertising, insurance, postage and courier, printing, professional fees, technology, and telephone expenses are allocated based on management's percentage of estimated consumption per functional category; occupancy expenses, including depreciation, maintenance, and utilities, are allocated on the basis of square footage; and salaries and wages and employee benefits are allocated on the basis of estimates of time and effort.

Advertising

The Organization expenses advertising as costs are incurred. Advertising expenses totaled $59,272 and $33,447 for the years ended December 31, 2025 and 2024, respectively.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes is made in the financial statements.

Note A – Significant Accounting Policies (Continued)

Presentation of Certain Taxes

The Organization collects various taxes from customers and remits these amounts to applicable taxing authorities. The Organization's accounting policy is to exclude these taxes from revenues and program expenses.

Uncertain Tax Positions

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of that position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2025 or 2024.

The Organization files Form 990 in the U.S. federal jurisdiction. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before 2022.

Use of Estimates

The Organization uses estimates and assumptions in preparing financial statements. 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 differ from those estimates.

Prior Year Comparative Totals

The financial statements include certain 2024 summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a complete presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the 2024 financial statements from which the summarized information was derived.

Subsequent Events

The Organization has evaluated subsequent events through July 9, 2026, which is the date the financial statements were available to be issued.

Note B – Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	$ 2,077,101
Investments	8,453,922
Accounts receivable	201,149
Pledges receivable	65,000
Total financial assets available within one year	10,797,172
Less amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	546,200
Restricted by donors with time restrictions	20,000
Board designation – Operating Reserve	3,500,000
Board designation – Capital Improvements	300,000
Total amounts unavailable for general expenditures within one year	4,366,200
Total financial assets available within one year after restriction	$ 6,430,972

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. At December 31, 2025, all net assets with donor restrictions are available for payment of any major expenditures incurred, except for receivables which are available when the receivable is collected and the expenditure is incurred. Board designated amounts could be drawn upon to meet immediate cash needs by vote of the board of directors.

Note C – Investments

Investments as of December 31 are summarized as follows:

	2025	2024
Cost	$ 7,164,626	$ 8,044,061
Unrealized gain	1,289,296	1,325,226
Fair value	$ 8,453,922	$ 9,369,287

Note C – Investments (Continued)

Investment income (loss) consists of the following for the years ended December 31:

	2025	2024
Interest and dividends	$ 553,063	$ 568,468
Unrealized gain (loss)	(35,930)	383,580
Realized gain (loss)	793,780	(116,148)
	$ 1,310,913	$ 835,900

Note D – Fair Value Measurements

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 — Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value instrument.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Organization's investments are held in various equities, bond funds and certificates of deposit. The funds have been valued based on the closing market price as it relates to the trusts and equities or quoted prices for similar assets as it relates to the bond funds at December 31, 2025 and 2024 and are considered to be Level 1 assets as shown on page 16.

Note D – Fair Value Measurements (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value measured on a recurring basis as of December 31:

		Fair Value Measurements Using		
	Fair Value	Level 1	Level 2	Level 3
December 31, 2025				
Money market	$ 661,674	$ 661,674	$ 0	$ 0
Common stock	6,192,172	6,192,172		
Bond funds	1,600,076	1,600,076		
Total	$ 8,453,922	$ 8,453,922	$ 0	$ 0
December 31, 2024				
Money market	$ 833,222	$ 833,222	$ 0	$ 0
Common stock	7,043,072	7,043,072		
Bond funds	1,492,993	1,492,993		
Total	$ 9,369,287	$ 9,369,287	$ 0	$ 0

Note E – Pledges Receivable

Contributions receivable consist of unconditional promises to give. Certain prior year pledges were restricted by donors for the construction of a new house and family room. At December 31, 2025, all contributions receivable are unrestricted. No allowance for uncollectible contributions has been recorded as management believes all amounts are fully collectible. Pledges receivable due in less than one year were $65,000 and $6,982 at December 31, 2025 and 2024, respectively.

Note F – Property and Equipment

At December 31, property and equipment consisted of the following:

	2025	2024
Land	$ 3,079,716	$ 2,375,000
Buildings	13,530,442	12,106,530
Landscaping	112,452	112,452
Furniture and fixtures	633,282	633,282
Office furniture and equipment	142,841	134,392
Signage	63,729	63,729
Vehicles	22,749	22,749
	17,585,211	15,448,134
Less accumulated depreciation	(2,176,845)	(1,810,699)
Total property and equipment	$ 15,408,366	$ 13,637,435

Total depreciation expense for the years ended December 31, 2025 and 2024 was $366,146 and $350,508, respectively.

Note G – Eoff House

In August 2025, Eoff House LLC purchased the property (Eoff House) directly adjacent to the existing Ronald McDonald House which provides the organization with flexibility for possible future use. The existing building consists of 10 rental housing units.

Rental income for FY 2025 totaled $34,354 and is reported as rental income in the consolidated statement of activities. Expenses related to the Eoff House totaled $47,352 in FY 2025 and are included as Administrative Expenses within the consolidated statement of activities and consolidated statement of functional expenses.

The property is included within Property and Equipment, net, and is being depreciated using the straight-line method over the applicable ADS recovery periods in accordance with the Organization's capitalization and depreciation policy.

Note H – Net Assets

The detail of the Organization's net asset categories at December 31, is as follows:

	2025	2024
Without donor restrictions:		
Invested in property and equipment	$ 15,408,366	$ 13,637,435
Board designated capital improvements	300,000	300,000
Board designated operating reserve	3,500,000	3,500,000
Undesignated surplus	6,190,602	6,419,094
Total without donor restrictions	25,398,968	23,856,529
With donor restrictions:		
Endowment Fund	546,200	546,200
St. Luke's Community Health Improvement	20,000	0
Total with donor restrictions	566,200	546,200
Total net assets	$ 25,965,168	$ 24,402,729

Note I – Contributed Nonfinancial Assets

For the years ended December 31, 2025 and 2024, contributed nonfinancial assets recognized within the consolidated statements of activities included:

	2025	2024
Occupancy	$ 318,443	$ 108,910
House supplies	175,013	96,374
Professional fees	95,270	25,944
Repairs and maintenance	3,736	528
Special events	102,422	112,897
Advertising	4,300	0
Other	8,661	3,928
Total contributed nonfinancial assets	$ 707,845	$ 348,581

The Organization recognized contributed nonfinancial assets within revenue, including occupancy, supplies, professional fees, repairs and maintenance, special events, and advertising. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Note I – Contributed Nonfinancial Assets (Continued)

Contributed occupancy consists of the Organization's rented facility, including security and housekeeping, in the Eastern Idaho Regional Medical Center. The facility is valued by a commercial real estate agency located in the region based on comparable rent per square foot.

Contributed house supplies consist of various supplies such as clothing, toys, books, and other miscellaneous items. These contributed supplies are valued at the price that the Organization would have to pay if they were to purchase them.

Contributed professional fees consist of accounting, legal and IT services donated by several companies. The professional fees are valued by the companies based on the hourly rate of the various professionals.

Contributed repairs and maintenance consist of plants, inspections and maintenance work. The plants are valued based on the cost. The contributed services are valued based on the hourly rate of the various professionals.

Contributed special events consist of donated goods provided to support fundraising events for the Organization. Special event donations are valued at cost by the respective donors.

Contributed advertising consists of advertisements and mailers. Contributed advertising is valued and is reported at estimated fair value in the financial statements based on current rates for similar advertising services.

Other contributed non-financial assets include various miscellaneous items such as promotional items, travel, transportation, administrative support, and security. These contributions are valued at the fair market value of the items based on the price the Organization would have paid to purchase the items.

Note J – Simple Retirement Plan

The Organization has a Simple Retirement Plan qualified as tax-deferred under the IRC. All employees who are reasonably expected to receive at least $5,000 in compensation within the current calendar year and received at least $5,000 in compensation during any one preceding calendar year are eligible to participate in the plan and will receive up to a 3% matching contribution. There were employer contributions for the years ended December 31, 2025 and 2024 of $26,290 and $20,772, respectively.

Note K – Related Party Transactions

Ronald McDonald House Charities (RMHC) is a system of independent, separately registered public benefit organizations, referred to as "Chapters" within the global organization. The Organization is an independent operating Chapter within the RMHC system. Each Chapter is licensed by McDonald's Corporation and Ronald McDonald House Charities, Inc. to use RMHC-related trademarks in conjunction with fundraising activities and the operation of its programs; the License Agreement also sets standards of operations for programs, governance, finance, branding, and reporting.

Ronald McDonald House Charities, Inc. (RMHC Global), a separately registered nonprofit organization, ensures delivery of the mission across the globe. As a center of excellence, RMHC Global builds and sustains a robust infrastructure of support to the network of Chapters, including operations, licensing and compliance, finance, risk management, communications, marketing, and development. The Organization received 84% and 80% during 2025 and 2024, respectively, of net revenues from all national fundraising efforts facilitated by RMHC Global in McDonald's restaurants, as defined by the license agreement. During years ended December 31, 2025 and 2024, the Organization received $956,468 and $811,420, respectively, from these revenue streams.

Note K – Endowment

The Organization's endowment consists of funds established by donors for the purpose of providing income to support the Organization's activities. Terms of the endowment allow for all earnings to be used for operations of the House. The endowment, in the amount of $546,200, is reported as net assets with donor restrictions.

Absent explicit donor stipulations to the contrary, the board of trustees of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Note K – Endowment (Continued)

In accordance with the standard of prudence prescribed by UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the various funds
(2) The purposes of the donor-restricted endowment funds
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The Organization's investment policies

Investment Return Objectives, Risk Parameters, and Strategies: The Organization has adopted investment and spending policies, approved by the board of trustees, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return, while growing the funds if possible. The Organization expects its endowment assets, over time, to produce an average rate of return of approximately 5.8% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

From time to time, the fair value of assets associated with the donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. As of December 31, 2025 and 2024 there were no deficiencies in the corpus balance of the endowment.

Note K – Endowment (Continued)

Changes in endowment net assets and net assets by type of fund were as follows for the years ended December 31:

Changes in Endowment Net Assets for the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 0	$ 546,200	$ 546,200
Investment return, net		86,380	86,380
Contributions		0	0
Appropriation of Endowment Assets for Expenditure		(86,380)	(86,380)
Endowment net assets, end of year	$ 0	$ 546,200	$ 546,200

Changes in Endowment Net Assets for the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 0	$ 546,200	$ 546,200
Investment return, net		48,730	48,730
Contributions		0	0
Appropriation of Endowment Assets for Expenditure		(48,730)	(48,730)
Endowment net assets, end of year	$ 0	$ 546,200	$ 546,200