



**RONALD MCDONALD HOUSE OF NEW YORK, INC.**



**Ronald  
McDonald  
House®  
New York**

Keeping Families Close.

**Financial Statements  
(Together with Independent Auditors' Report)**

**Years Ended December 31, 2025 and 2024**

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**

**FINANCIAL STATEMENTS  
(Together with Independent Auditors' Report)**

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

**CONTENTS**

	<b><u>Page</u></b>
Independent Auditors' Report .....	1-2
Statements of Financial Position .....	3
Statements of Activities .....	4
Statements of Functional Expenses .....	5-6
Statements of Cash Flows .....	7
Notes to Financial Statements .....	8-20

## **Independent Auditors' Report**

To the Board of Directors  
**Ronald McDonald House of New York, Inc.**

### ***Opinion***

We have audited the financial statements of Ronald McDonald House of New York, Inc. (the "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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 Organization'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 Organization'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.

*CBIZ CPAs P.C.*

New York, New York  
June 24, 2026

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
Cash and cash equivalents (Notes 2B and 12)	\$ 2,610,483	\$ 1,749,135
Contributions receivable, net (Notes 2F and 4)	1,675,289	1,863,876
Accounts and other receivables (Notes 2F and 5)	1,250,466	1,274,997
Investments (Notes 2G, 2H, 5 and 6)	88,983,544	89,680,068
Prepaid expenses	976,177	357,649
Investments held for pension and deferred compensation plans (Notes 5, 6 and 9)	1,243,396	1,009,491
Property and equipment, net (Notes 2E, 7 and 8)	33,729,775	29,637,407
<b>TOTAL ASSETS</b>	<b>\$ 130,469,130</b>	<b>\$ 125,572,623</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses (Note 9)	\$ 6,140,827	\$ 3,729,660
Refundable advances (Notes 2F and 2L)	611,712	628,632
Bonds payable, net (Note 8)	7,134,699	7,463,681
<b>TOTAL LIABILITIES</b>	<b>13,887,238</b>	<b>11,821,973</b>
<b>CONTINGENCIES</b> (Note 13)		
<b>NET ASSETS</b> (Note 2C)		
Without donor restrictions:		
Operations	30,544,552	31,128,516
Net investment in property and equipment	26,595,076	22,173,725
Board designated for future operations	57,800,000	58,500,000
Total net assets without donor restrictions	114,939,628	111,802,241
With donor restrictions (Note 10)		
Restricted for purpose and time	483,681	836,256
Perpetual in nature	1,158,583	1,112,153
Total net assets with donor restrictions	1,642,264	1,948,409
<b>TOTAL NET ASSETS</b>	<b>116,581,892</b>	<b>113,750,650</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 130,469,130</b>	<b>\$ 125,572,623</b>

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

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	Year Ended December 31, 2025			Year Ended December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total 2025	Without Donor Restrictions	With Donor Restrictions	Total 2024
<b>PUBLIC SUPPORT AND REVENUE:</b>						
Public Support:						
Special events revenue (Note 2J)	\$ 6,827,079	\$ -	\$ 6,827,079	\$ 5,430,324	\$ -	\$ 5,430,324
Less: cost of direct benefit to donors	<u>(1,747,528)</u>	<u>-</u>	<u>(1,747,528)</u>	<u>(1,015,879)</u>	<u>-</u>	<u>(1,015,879)</u>
Special events, net	5,079,551	-	5,079,551	4,414,445	-	4,414,445
Bequests (Note 2F)	2,468,271	-	2,468,271	550,966	-	550,966
Direct mail contributions (Note 2F)	1,312,827	-	1,312,827	1,209,314	-	1,209,314
Contributions (Note 2F)	6,646,262	410,000	7,056,262	7,294,591	861,076	8,155,667
Noncash contributions (Notes 2K and 14)	<u>2,352,311</u>	<u>-</u>	<u>2,352,311</u>	<u>2,029,100</u>	<u>-</u>	<u>2,029,100</u>
Total public support	<u>17,859,222</u>	<u>410,000</u>	<u>18,269,222</u>	<u>15,498,416</u>	<u>861,076</u>	<u>16,359,492</u>
Revenue:						
Room donation revenue (Note 2F)	238,494	-	238,494	190,329	-	190,329
Service fee revenue (Note 2F)	74,187	-	74,187	47,950	-	47,950
Investment income, net (Notes 5 and 6)	9,498,060	46,430	9,544,490	7,755,033	54,360	7,809,393
Other	<u>529,633</u>	<u>-</u>	<u>529,633</u>	<u>323,401</u>	<u>-</u>	<u>323,401</u>
Total revenue	<u>10,340,374</u>	<u>46,430</u>	<u>10,386,804</u>	<u>8,316,713</u>	<u>54,360</u>	<u>8,371,073</u>
Net assets released from restrictions (Note 10)	<u>762,575</u>	<u>(762,575)</u>	<u>-</u>	<u>326,827</u>	<u>(326,827)</u>	<u>-</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<u>28,962,171</u>	<u>(306,145)</u>	<u>28,656,026</u>	<u>24,141,956</u>	<u>588,609</u>	<u>24,730,565</u>
<b>EXPENSES (Note 2I):</b>						
Program Services						
Room occupancy	14,484,933	-	14,484,933	12,712,475	-	12,712,475
Volunteer activities	718,929	-	718,929	694,054	-	694,054
Education and support	1,292,096	-	1,292,096	1,009,625	-	1,009,625
Outreach programs	<u>1,357,138</u>	<u>-</u>	<u>1,357,138</u>	<u>2,974,114</u>	<u>-</u>	<u>2,974,114</u>
Total program services	<u>17,853,096</u>	<u>-</u>	<u>17,853,096</u>	<u>17,390,268</u>	<u>-</u>	<u>17,390,268</u>
Supporting Services:						
Management and general	1,805,129	-	1,805,129	1,746,800	-	1,746,800
Fundraising	<u>6,166,559</u>	<u>-</u>	<u>6,166,559</u>	<u>6,585,442</u>	<u>-</u>	<u>6,585,442</u>
Total supporting services	<u>7,971,688</u>	<u>-</u>	<u>7,971,688</u>	<u>8,332,242</u>	<u>-</u>	<u>8,332,242</u>
<b>TOTAL EXPENSES</b>	<u>25,824,784</u>	<u>-</u>	<u>25,824,784</u>	<u>25,722,510</u>	<u>-</u>	<u>25,722,510</u>
<b>CHANGE IN NET ASSETS</b>	3,137,387	(306,145)	2,831,242	(1,580,554)	588,609	(991,945)
<b>Net assets - beginning of year</b>	<u>111,802,241</u>	<u>1,948,409</u>	<u>113,750,650</u>	<u>113,382,795</u>	<u>1,359,800</u>	<u>114,742,595</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 114,939,628</u>	<u>\$ 1,642,264</u>	<u>\$ 116,581,892</u>	<u>\$ 111,802,241</u>	<u>\$ 1,948,409</u>	<u>\$ 113,750,650</u>

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

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2024)

For the Year Ended December 31, 2025

	Program Services				Supporting Services		Total 2025	Total 2024	
	Room Occupancy	Volunteer Activities	Education & Support	Outreach Programs	Total Program	Management and General			Fundraising
Salaries	\$ 4,744,487	\$ 495,157	\$ 451,875	\$ 815,231	\$ 6,506,750	\$ 1,229,132	\$ 2,256,735	\$ 9,992,617	\$ 9,082,438
Payroll taxes and employee benefits (Note 9)	<u>1,333,575</u>	<u>139,683</u>	<u>127,473</u>	<u>229,975</u>	<u>1,830,706</u>	<u>345,862</u>	<u>642,333</u>	<u>2,818,901</u>	<u>2,508,044</u>
<b>Total Salaries and Related Costs</b>	6,078,062	634,840	579,348	1,045,206	8,337,456	1,574,994	2,899,068	12,811,518	11,590,482
Occupancy	439,972	-	-	13,210	453,182	2,211	-	455,393	421,163
Repairs and maintenance (Notes 2K and 14)	549,698	-	-	4,005	553,703	2,233	-	555,936	402,494
Supplies (Notes 2K and 14)	600,221	18,707	16,104	29,005	664,037	80,676	81,545	826,258	529,965
Family activity expenses:									
Program entertainment and enrichment (Notes 2K and 14)	150,425	7,823	396,235	243,012	797,495	-	-	797,495	793,496
Food for house guests	1,601,020	-	-	-	1,601,020	-	-	1,601,020	1,497,132
Trips, outings and parties	-	31,034	100	473	31,607	-	-	31,607	29,275
Education and counseling	-	-	5,300	-	5,300	-	-	5,300	5,650
Transportation and other	399,749	-	-	-	399,749	-	-	399,749	552,217
Family room construction costs - hospital owned	-	-	-	8,947	8,947	-	-	8,947	1,736,946
Volunteer and staff recognition (Notes 2K and 14)	-	18,772	-	-	18,772	-	-	18,772	16,576
Staff development	20,227	1,219	1,113	2,007	24,566	3,025	5,568	33,159	39,626
Fundraising expenses (non-event) (Notes 2K and 14)	-	-	-	-	-	-	1,095,139	1,095,139	978,997
Events occupancy and related expenses	-	-	-	-	-	-	2,254,235	2,254,235	1,832,204
Professional fees (Notes 2K and 14)	1,815,474	1,790	100,000	-	1,917,264	88,886	293,444	2,299,594	1,889,424
Telephone	190,179	2,484	1,947	5,448	200,058	5,492	87,466	293,016	511,497
Insurance	360,301	-	-	-	360,301	1,811	-	362,112	332,720
Postage, messenger and other	13,372	69	-	-	13,441	1,959	3,819	19,219	15,902
Printing, postage and direct mail campaign expenses (Note 11)	14,236	-	187,929	-	202,165	2,687	624,966	829,818	1,010,466
Travel	9,098	2,191	1,505	1,445	14,239	637	1,173	16,049	23,178
Security	255,696	-	-	-	255,696	1,285	-	256,981	186,465
Miscellaneous	484,077	-	2,515	4,380	490,972	31,872	567,664	1,090,508	758,365
Bad debt (Note 2F)	-	-	-	-	-	-	-	-	-
Depreciation and amortization (Notes 2E and 7)	1,284,649	-	-	-	1,284,649	6,285	-	1,290,934	1,358,520
Interest expense and related fees (Note 8)	<u>218,477</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>218,477</u>	<u>1,076</u>	<u>-</u>	<u>219,553</u>	<u>225,629</u>
Subtotal	14,484,933	718,929	1,292,096	1,357,138	17,853,096	1,805,129	7,914,087	27,572,312	26,738,389
Less: cost of direct benefit to donors (Note 2J)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,747,528)</u>	<u>(1,747,528)</u>	<u>(1,015,879)</u>
<b>TOTAL EXPENSES - 2025</b>	<u>\$ 14,484,933</u>	<u>\$ 718,929</u>	<u>\$ 1,292,096</u>	<u>\$ 1,357,138</u>	<u>\$ 17,853,096</u>	<u>\$ 1,805,129</u>	<u>\$ 6,166,559</u>	<u>\$ 25,824,784</u>	<u>\$ 25,722,510</u>
<b>TOTAL EXPENSES - 2024</b>	<u>\$ 12,712,475</u>	<u>\$ 694,054</u>	<u>\$ 1,009,625</u>	<u>\$ 2,974,114</u>	<u>\$ 17,390,268</u>	<u>\$ 1,746,800</u>	<u>\$ 6,585,442</u>	<u>\$ 25,722,510</u>	

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

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

For the Year Ended December 31, 2024

	Program Services				Supporting Services		Total 2024	
	Room Occupancy	Volunteer Activities	Education & Support	Outreach Programs	Total Program	Management and General		Fundraising
Salaries	\$ 4,053,498	\$ 499,155	\$ 443,045	\$ 721,097	\$ 5,716,795	\$ 1,148,611	\$ 2,217,032	\$ 9,082,438
Payroll taxes and employee benefits (Note 9)	<u>1,066,124</u>	<u>131,278</u>	<u>116,521</u>	<u>189,648</u>	<u>1,503,571</u>	<u>341,589</u>	<u>662,884</u>	<u>2,508,044</u>
<b>Total Salaries and Related Costs</b>	5,119,622	630,433	559,566	910,745	7,220,366	1,490,200	2,879,916	11,590,482
Occupancy	419,057	-	-	-	419,057	2,106	-	421,163
Repairs and maintenance (Notes 2K and 14)	400,482	-	-	-	400,482	2,012	-	402,494
Supplies (Notes 2K and 14)	400,413	2,370	-	10,950	413,733	50,641	65,591	529,965
Family activity expenses:								
Program entertainment and enrichment (Notes 2K and 14)	266,392	927	214,426	311,751	793,496	-	-	793,496
Food for house guests	1,497,132	-	-	-	1,497,132	-	-	1,497,132
Trips, outings and parties	-	29,275	-	-	29,275	-	-	29,275
Education and counseling	-	-	5,650	-	5,650	-	-	5,650
Transportation and other	552,217	-	-	-	552,217	-	-	552,217
Family room construction costs - hospital owned	-	-	-	1,736,946	1,736,946	-	-	1,736,946
Volunteer and staff recognition (Notes 2K and 14)	-	16,576	-	-	16,576	-	-	16,576
Staff development	24,685	-	-	-	24,685	5,095	9,846	39,626
Fundraising expenses (non-event) (Notes 2K and 14)	-	-	-	-	-	-	978,997	978,997
Events occupancy and related expenses	-	-	-	-	-	-	1,832,204	1,832,204
Professional fees (Notes 2K and 14)	1,348,573	1,790	10,000	-	1,360,363	142,490	386,571	1,889,424
Telephone	343,523	1,181	788	2,832	348,324	9,926	153,247	511,497
Insurance	331,056	-	-	-	331,056	1,664	-	332,720
Postage, messenger and other	9,386	17	-	-	9,403	1,937	4,562	15,902
Printing, postage and direct mail campaign expenses (Note 11)	19,289	-	205,017	-	224,306	3,981	782,179	1,010,466
Travel	11,516	5,308	1,261	890	18,975	1,433	2,770	23,178
Security	185,533	-	-	-	185,533	932	-	186,465
Miscellaneous	207,349	6,177	12,917	-	226,443	26,484	505,438	758,365
Bad debt (Note 2F)	-	-	-	-	-	-	-	-
Depreciation and amortization (Notes 2E and 7)	1,351,749	-	-	-	1,351,749	6,771	-	1,358,520
Interest expense and related fees (Note 8)	<u>224,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,501</u>	<u>1,128</u>	<u>-</u>	<u>225,629</u>
Subtotal	12,712,475	694,054	1,009,625	2,974,114	17,390,268	1,746,800	7,601,321	26,738,389
Less: cost of direct benefit to donors (Note 2J)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,015,879)</u>	<u>(1,015,879)</u>
<b>TOTAL EXPENSES - 2024</b>	<u>\$ 12,712,475</u>	<u>\$ 694,054</u>	<u>\$ 1,009,625</u>	<u>\$ 2,974,114</u>	<u>\$ 17,390,268</u>	<u>\$ 1,746,800</u>	<u>\$ 6,585,442</u>	<u>\$ 25,722,510</u>

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

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 2,831,242	\$ (991,945)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	1,290,934	1,354,169
Amortization of deferred financing costs	4,351	4,351
Unrealized gain on investments	(8,114,777)	(6,918,625)
Realized gain on investment sales	(453,988)	(442,489)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Contributions receivable	188,587	(1,369,068)
Accounts and other Receivables	24,531	(671,529)
Prepaid expenses	(618,528)	221,118
Increase in liabilities:		
Accounts payable and accrued expenses	2,411,167	531,962
Refundable advances	(16,920)	36,510
	<b>(2,453,401)</b>	<b>(8,245,546)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(5,383,303)	(1,193,116)
Proceeds from investment sales	49,096,046	16,166,104
Purchases of investments	(40,064,661)	(6,616,856)
	<b>3,648,082</b>	<b>8,356,132</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayments of bonds payable	(333,333)	(333,333)
	<b>(333,333)</b>	<b>(333,333)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>861,348</b>	<b>(222,747)</b>
Cash and cash equivalents - beginning of year	1,749,135	1,971,882
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 2,610,483</b>	<b>\$ 1,749,135</b>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Cash paid for interest	\$ 215,202	\$ 221,278

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

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

Since 1978, Ronald McDonald House of New York (the “Organization”) has provided families with a supportive and caring environment consisting of comprehensive programs. Ronald McDonald House New York provides families of children with cancer and other serious illnesses a strong, caring and seamless circle of support. During some of the darkest days for each of our families, they’re devoted to easing the burden. With the use of modern facilities, varied services and customized programming, the organization addresses family’s underlying social factors of health so they can focus on what matters most: their child’s health. The House has 95 guest rooms, including six-post-transplant suites. The House has laundry facilities on each guest floor, kitchens, a communal dining room, a Living Room, a multi-faceted Playroom, and two outside terraces. Round trip transportation to and from their hospital appointment and daily meals are also provided. The Organization does not charge families for any of the housing, programs or services provided.

The Organization continues to offer programs to meet the needs of its diverse guests. The programs include education, tutoring, arts and crafts activities, and wellness for the caregiver. The Organization’s education programs allow patients and siblings to receive one-on-one tutoring, while its English as a Second Language (ESL) Program helps its international guests build their English skills. Other programs include Weird Science, Therapy Dog visits, and Teen Night which allow all children/young adults in residence the opportunity to have a sense of normalcy and fun. The Blavatnik Family Foundation Wellness Center has been a vital resource for the Organization’s caregivers. Services provided in the Center focus on mind, body and soul and help to assuage the daily pressures of hospital visits and heavy toll of caring for an ill child.

The Organization also provides services through its Family Support Department for all families staying at the House. This may include support for families when their children are admitted to a partner hospital or navigation services to help first-time families become acclimated to their environment in New York City, as well as following up and connecting them to needed resources when they are ready to return home or during bereavement.

The Organization’s comprehensive Hospitality Program serves children and families at 10 of its partnering hospitals throughout the year who are not residents of the House yet need support while undergoing treatment. The programs include Musical Magic, Breathe In Breathe Out, and special programming at New York City Health and Hospitals. The Hospitality Cart Program provides healthy snacks and refreshments for caregivers, siblings and patients in the inpatient pediatric unit and pediatric rehabilitation unit. Lastly, the Ronald McDonald Family Rooms located at NYC Health + Hospitals/Kings County, NYC Health + Hospitals/Elmhurst Hospitals, NYC Health + Hospitals/ Metropolitan and Montefiore Einstein provide a place of respite for caregivers and parents with children in the NICU, PICU and Pediatric Units.

The Organization is also able to expand its reach across New York City’s five boroughs and its diverse communities through the Population Health Program. RMH-NY serves families not only when they come to New York for pediatric cancer treatment, but also when they are struggling with housing, food, or transportation in their own neighborhoods. This team addresses health disparities and advances health equity across the five boroughs ensuring that no one has to choose between their child’s health and basic survival.

The Organization is a Section 501(c)(3) organization under the applicable provisions of the Internal Revenue Code (the “Code”) and, accordingly, is not subject to federal income taxes. The Organization is also exempt from New York State and City income and sales taxes. The Organization has been classified as a publicly-supported charitable organization under Section 509(a)(1) of the Code and qualifies for the maximum charitable contribution deduction for donors.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. The Organization’s financial statements have been prepared on the accrual basis of accounting. The Organization adheres to accounting principles generally accepted in the United States of America (“U.S. GAAP”).
- B. The Organization considers highly liquid instruments with a maturity of three months or less when acquired, to be operating cash equivalents. Additionally, the Organization considers all cash other than that held in the Organization’s investment portfolio to be cash.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- C. The Organization maintains its net assets under the following classes:
- Without donor restrictions – Net assets that are not subject to donor-imposed stipulations.
  - In 2024, the Board determined that a total of \$58,500,000 should be designated as follows: \$51,800,000 as a reserve for future operational needs representing approximately two years' of operating expenses, and a \$6,700,000 reserve to pay down the remaining balance on the fixed rate bond prior to its maturity date in May 2027. In 2025, the Board determined that a total of \$57,800,000 should be designated as follows: \$51,100,000 should be designated for future operational needs representing approximately two years' of operating expenses, and \$6,700,000 to pay down the remaining balance on the fixed rate bond.
  - With donor restrictions – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, stipulations that they be maintained in perpetuity by the Organization, and unappropriated endowment earnings. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished or earnings on investments held in perpetuity are appropriated for operations), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets related from restrictions. Net assets that are not subject to donor-imposed stipulations.
- D. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- E. Property and equipment is stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. The Organization capitalizes property and equipment with a cost of \$5,000 or higher and a useful life of at least one year.

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. As of December 31, 2025 and 2024, there were no impairments.

- F. Unconditional contributions that are expected to be collected within one year are recorded at net realizable value. Unconditional contributions that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount factor used is computed based on risk adjusted interest rates for the expected term of the contributions applicable in the years in which the contributions are made by the donor, if material. Amortization of the discounts is included in contribution income. Conditional promises to give are not included as support until the conditions are substantially met. As of December 31, 2025 and 2024, conditional contributions have been received and are included in refundable advances. See Note 2L.

As of December 31, 2025 and 2024, the Organization determined that no allowance for credit losses were deemed necessary. This determination is based on a combination of factors, such as management's review of individual accounts outstanding, and the aged basis of the receivable and historical experience. There were no write offs for the years ended December 31, 2025 and 2024.

Room donation revenue and receivable, which are included in accounts and other receivables on the statements of financial position are recorded when the families check in to stay at the Organization.

Bequests are recognized as receivables at the time unassailable rights to the gifts have been established and the proceeds are measurable.

Grants receivable, and health equity receivables which are included in the accounts and other receivables on the statements of financial position are nonexchange transactions and are accounted for under Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2018-08, "Not-For-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made" ("FASB Accounting Standards Codification (ASC) Topic 958"). Contributions and grants are recognized as revenue when barriers within the contract are overcome, and there is no right of return.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- G.** Investments are carried at fair value. Investment income is shown net of the related investment fees amounted to \$290,447 and \$225,365 for the years ended December 31, 2025 and 2024, respectively. Investment income, including realized and unrealized gains and losses, are recorded in net assets without donor restrictions unless there are restrictions that have been imposed by donors or other outside parties. Investment income on donor restricted endowments are recorded in net assets with donor restrictions until appropriated for spending by the Board.
- H.** Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 6.
- I.** The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Occupancy and depreciation are allocated on a square footage basis. Salaries and wages, benefits and payroll taxes are allocated on the basis of time and effort spent on various functions. All other expenses are directly charged by actual departmental use.

Advertising costs of approximately \$1,057,000 and \$912,000 for the years ended December 31, 2025 and 2024, respectively, were included within fundraising expenses in the statements of functional expenses.

- J.** The direct costs of special events include expenses for the benefit of the donor. For example, meals and facilities rental are considered direct costs of special events and are presented as deductions of special events revenue on the statements of activities.
- K.** The Organization's policy related to noncash contributions is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. Noncash contributions are recorded as revenue in the period in which they are received, and would typically be purchased had they not been provided by donation.
- L.** The Organization receives cash in advance of special events that are to be held after the statements of financial position date. It is the Organization's policy to refund all cash received in advance of special events for both the contribution and exchange portion if the event is subsequently cancelled. Included in refundable advances as of December 31, 2025 and 2024, are conditional contributions of approximately \$140,000 and \$78,000, respectively, for the special events that will incur in future years.
- M.** Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on the change in net assets for the year ended December 31, 2024.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 3 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 2,610,483	\$ 1,749,135
Current contributions receivable, net	1,084,744	800,058
Accounts and other receivables	1,250,466	1,274,997
Investments	<u>88,983,544</u>	<u>89,680,068</u>
Total financial assets	93,929,237	93,504,258
Less: Donor and other imposed restrictions:		
Subject to specified purpose or passage of time	(483,681)	(836,256)
Endowments perpetual in nature (Note 10)	<u>(1,158,583)</u>	<u>(1,112,153)</u>
Financial assets, net of donor and other imposed restrictions	92,286,973	91,555,849
Internal designation:		
Board designated for future operations	<u>(57,800,000)</u>	<u>(58,500,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 34,486,973</u>	<u>\$ 33,055,849</u>

As part of the Organization's liquidity management plan, the Organization invests excess cash beyond expected operating needs in short-term investments, CDs and money market funds. Occasionally, the Board designates a portion of any operating surplus to its Board operating reserve. The Organization is required to meet certain debt covenant requirements, as discussed in Note 8.

**NOTE 4 – CONTRIBUTIONS RECEIVABLE, NET**

Contributions receivable, net consist of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Amounts due in less than one year	\$ 1,084,744	\$ 800,058
Amounts due in one to five years	<u>741,906</u>	<u>1,255,969</u>
	1,826,650	2,056,027
Discount to present value at 3.48% - 4.38%	<u>(151,361)</u>	<u>(192,151)</u>
	<u>\$ 1,675,289</u>	<u>\$ 1,863,876</u>

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 5 – INVESTMENTS**

Investments consist of the following as of December 31:

	2025	2024	
Cash	\$ 2,107,838	\$ 1,697,248	
Money market funds	8,763,563	1,672,333	
Fixed income securities:			
Mutual funds	15,053,425	8,003,375	
Mutual funds:			
U.S. large cap	24,444,266	14,374,885	
U.S. mid/small cap	-	335,103	
Non U.S. equities	<u>13,004,265</u>	<u>6,044,364</u>	
Subtotal	<u>63,373,357</u>	<u>32,127,308</u>	
<b>Alternative investments:</b>			
Hedge funds	8,207,524	5,295,737	A
Limited partnerships	9,772,416	45,706,744	B
Other investments	<u>7,630,247</u>	<u>6,550,279</u>	C
Subtotal	<u>25,610,187</u>	<u>57,552,760</u>	
<b>Total Investments</b>	<u>\$ 88,983,544</u>	<u>\$ 89,680,068</u>	
<b>Investments held for pension and deferred compensation plans:</b>			
Mutual funds	<u>\$ 1,243,396</u>	<u>\$ 1,009,491</u>	

A. Hedge funds are investments in cash, limited partnerships and pooled investment funds that invest primarily in domestic and international equity and mortgage securities. The hedge funds may also trade various financial instruments with off-balance sheet risk. These financial instruments may include securities sold short and long, option contracts, differential and foreign currency forward contracts.

Such transactions subject the hedge and real assets funds and their investors to market risk associated with changes in the value of the underlying securities, financial instruments, and foreign currencies, as well as the risk of loss if the counterparty fails to perform. The respective hedge fund managers endeavor to limit the risk associated with such transactions.

B. Limited partnerships are funds whose purpose is to achieve capital appreciation through investments primarily in hedge funds, domestic and foreign equity funds and private equity funds.

C. Other investments include return enhancement notes and buffered return enhancement notes that combine a debt security with an underlying asset, such as an equity, a basket of equities, a domestic or international index, a commodity or some type of hybrid security and investments in hard assets such as gold. Gains on structured investments may be capped and there may be no principal protection in the event of a market decline.

The Board has adopted a total return spending plan strategy. Under this plan, a percentage distribution is based on a formulaic valuation of portfolio assets, recommended by the Investment Committee and approved by the Board. The portfolio investments are managed to produce a total return that, over a reasonable period of time, will exceed the sum of the percentage distribution plus inflation, management fees and other expenses. The Investment Committee considers both long-term and short-term needs of the Organization in its investments.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and statements of activities.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 5 – INVESTMENTS (Continued)**

Included in investments as of December 31, 2025 and 2024, respectively, were \$1,158,583 and \$1,112,153 permanently held for endowment as of December 31, 2025 and 2024, respectively.

Interest receivable of \$64,434 and \$20,758 as of December 31, 2025 and 2024, respectively, is for interest earned on investments, but not received, and is included in accounts and other receivable on the statements of financial position.

Investment return consisted of the following for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 1,266,172	\$ 673,644
Realized gain	453,988	442,489
Unrealized gain	8,114,777	6,918,625
Investment expenses	<u>(290,447)</u>	<u>(225,365)</u>
Total Investment Income, net	<u>\$ 9,544,490</u>	<u>\$ 7,809,393</u>

**NOTE 6 – FAIR VALUE MEASUREMENTS**

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. Level 1 valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

Certain of the Organization's investments are classified as alternative investments and are recorded at fair value, based on the applicable percentage ownership of the net assets as of the measurement date, as reported by the investment managers, in an amount equal to the Net Asset Value ("NAV") of shares held by the Organization at year-end.

The NAV, as provided by the investment managers, is used as the practical expedient to estimate the fair value of the underlying investments. As of December 31, 2025 and 2024, the Organization had \$3,746,807 and \$2,148,288 of unfunded commitments to invest in these alternative investment funds, respectively. Redemptions at NAV of shares in these investments range from immediate to quarterly, generally with forty-five to ninety days' notice. The alternative investment's strategies are described in Note 5.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2025 AND 2024**

**NOTE 6 – FAIR VALUE MEASUREMENTS (Continued)**

Financial assets carried at fair value at December 31, 2025 are classified in the table as follows:

	<u>Level 1</u>	<u>Total 2025</u>
<b>INVESTMENTS AT FAIR VALUE:</b>		
Investments:		
Money market funds	\$ 8,763,563	\$ 18,535,979
Fixed income securities:		
Mutual funds	15,053,425	15,053,425
Mutual funds:		
U.S. large cap	24,444,266	24,444,266
Non U.S. equities	<u>13,004,265</u>	<u>13,004,265</u>
	<u>\$ 61,265,519</u>	<u>\$ 71,038,051</u>
Alternative investments using NAV as a practical expedient:		
Limited Partnerships		\$ 9,772,416
Hedge Funds		8,207,524
Other Investments		7,630,247
Cash (excluded from the fair value measurements)		<u>2,107,838</u>
<b>TOTAL INVESTMENTS AT FAIR VALUE</b>		<b><u>\$ 88,983,544</u></b>

Financial assets carried at fair value at December 31, 2024 are classified in the table as follows:

	<u>Level 1</u>	<u>Total 2024</u>
<b>INVESTMENTS AT FAIR VALUE:</b>		
Investments:		
Money market funds	\$ 1,672,333	\$ 1,672,333
Fixed income securities:		
Mutual funds	8,003,375	8,003,375
Mutual funds:		
U.S. large cap	14,374,885	14,374,885
U.S. mid cap/small cap	335,103	335,103
Non U.S. equities	<u>6,044,364</u>	<u>6,044,364</u>
	<u>\$ 30,430,060</u>	<u>\$ 30,430,060</u>
Alternative investments using NAV as a practical expedient:		
Limited Partnerships		\$ 45,706,744
Hedge Funds		5,295,737
Other Investments		6,550,279
Cash (excluded from the fair value measurements)		<u>1,697,248</u>
<b>TOTAL INVESTMENTS AT FAIR VALUE</b>		<b><u>\$ 89,680,068</u></b>

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 6 – FAIR VALUE MEASUREMENTS (Continued)**

Investment held for pension and deferred compensation plans amounting to \$1,243,396 and \$1,009,491 as of December 31, 2025 and 2024, respectively, are invested in mutual funds which are classified as Level 1 in the fair value hierarchy.

Investments in money market funds, fixed income securities and mutual funds are valued using market prices in active markets (Level 1). Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Hedge funds and other alternative investments are designated using NAV as a practical expedient as indicative of the investment manager’s classification of the Organization’s investment in the alternative investments. It is not meant to be indicative of the classification of the investments in the underlying portfolio of the alternative investments into the fair value hierarchy.

**NOTE 7 – PROPERTY AND EQUIPMENT, NET**

Property and equipment, net consists of the following as of December 31:

	<u>2025</u>	<u>2024</u>	<u>Estimated Useful Lives</u>
Land	\$ 6,038,784	\$ 6,038,784	
Building	48,183,575	48,183,575	30 years
Vehicle	167,218	167,218	3 years
Furniture, fixtures and equipment	20,209,384	19,983,159	3-10 years
Computer Software	290,750	-	
Construction in progress	<u>6,260,786</u>	<u>1,394,459</u>	
Total cost	81,150,497	75,767,195	
Less: Accumulated depreciation	<u>(47,420,722)</u>	<u>(46,129,788)</u>	
Net book value	<u>\$ 33,729,775</u>	<u>\$ 29,637,407</u>	

Depreciation expense amounted to \$1,290,934 and \$1,354,169 for the years ended December 31, 2025 and 2024, respectively.

As of December 31, 2025, the construction in progress represents the cost incurred, including materials, direct labor, architectural fees, consulting and project management fees, for the construction and renovation of the 2nd floor of the Organization’s office building that are not yet completed and placed into service. Construction in progress as of December 31, 2025 amounted to \$6,260,786 with estimated costs to complete of \$4,650,904. The project has been completed in May 2026.

**NOTE 8 – BONDS PAYABLE, NET**

In 2016, the Organization determined it would finance a portion of its Expansion Project. On May 30, 2017, the Organization closed on Bond issuances (the “Bonds”) from JP Morgan Chase Bank, N.A. for \$15,000,000, comprised of a \$5,000,000 variable rate portion based on the London Inter-bank Offered Rate (“LIBOR”) plus 0.694% and a \$10,000,000 2.9% fixed rate portion. The 2018 variable interest rate portion was 2.979%. During 2019, the variable interest rate portion of the 2016 issuance was repaid and the remaining deferred financing costs of \$15,084 were written off. The remaining Bond has a ten-year maturity, with interest and principal to be paid on a monthly basis; however, the Organization has the option to repay the Bond at any time. The current monthly principal payment is \$27,778 with the unpaid balance due at maturity on May 30, 2027. The Bonds are collateralized by a pledge of the Organization’s property and equipment and other assets, both now and for the life of the Bond, to secure the prompt payment and performance of the secured obligation.

This loan agreement is subject to financial and reporting covenant clauses that the Organization is required to meet. The Organization did not comply with the reporting covenant in the loan agreement, which requires submission of audited financial statements to the lender within 150 days from the fiscal year-end. However, the Organization received waivers of this reporting covenant for the 2025 and 2024 reporting requirements.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 8 – BONDS PAYABLE, NET (Continued)**

Bonds payable, net are comprised of the following as of December 31:

	2025	2024
Bond financing	\$ 7,138,889	\$ 7,472,222
Less: Deferred financing costs	<u>(4,190)</u>	<u>(8,541)</u>
Bonds payable, net	<u>\$ 7,134,699</u>	<u>\$ 7,463,681</u>

In connection with the bonds payable, the Organization incurred financing costs in the amount of \$64,654, which are amortized over the life of the Bonds. Interest expense, related fees and amortization expense amounted to \$219,553 and \$229,980 for the years ended December 31, 2025 and 2024, respectively. Deferred financing costs consist of the following as of December 31:

	2025	2024
Deferred financing costs	\$ 30,175	\$ 30,175
Less: Accumulated amortization	<u>(25,985)</u>	<u>(21,634)</u>
Deferred financing costs	<u>\$ 4,190</u>	<u>\$ 8,541</u>

The principal payments subsequent to December 31, 2025, on Bonds payable for each of the next two years are as follows:

2026		\$ 333,333
2027		<u>6,805,556</u>
		<u>\$ 7,138,889</u>

The remaining principal balance will be paid as a balloon payment when the Bond matures on May 30, 2027.

**NOTE 9 – PENSION AND RETIREMENT PLANS**

The Organization maintains a Safe-Harbor 401(k) Profit-Sharing Plan and a 401(k) Profit-Sharing Plan with Mutual of America (the "401(k) Plans"). The Organization makes contributions, at the discretion of the Executive Committee of the Board of Directors, to the 401(k) Plans on a bi-weekly basis. The contribution for the years ended December 31, 2025 and 2024 for the 401(k) Plans was \$596,807 and \$565,129, respectively. Additionally, eligible employees were allowed to make tax-deferred contributions to the 401(k) Plans up to certain limits as identified in the Code.

In November 2011, the Organization instituted a Deferred Compensation Plan (the "Plan") under Section 457(b) of the Code covering key employees. The deferred compensation liabilities amounted to \$1,243,396 and \$1,009,491 as of December 31, 2025 and 2024, respectively, and are included in investments held for pension and deferred compensation plans, accounts payable and accrued expenses in the accompanying statements of financial position. The Organization makes contributions to the Plan, at the discretion of the Executive Committee, on an annual basis.

In 2014, the Organization instituted a 403(b) Retirement Savings Plan for employee salary deferrals and a Deferred Compensation Plan under Section 457(f) of the Code covering key employees. As of December 31, 2025 and 2024, there were no employer contributions to the 403(b) Plan; only employee salary deferrals are contributed on a bi-weekly basis.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 10 – NET ASSETS**

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

	<u>2025</u>	<u>2024</u>
Purpose restricted	\$ 483,681	\$ 836,256
Perpetual in nature	<u>1,158,583</u>	<u>1,112,153</u>
Total Net Assets with donor restrictions:	<u>\$ 1,642,264</u>	<u>\$ 1,948,409</u>

For the years ended December 31, 2025 and 2024, net assets with donor restrictions in the amounts of \$762,575 and \$326,827, respectively were released by satisfying the restricted purposes or by the occurrence of other events specified by donors.

The Organization has two (2) donor-restricted endowment funds. The Lilian Goldman Endowment Fund (the “Goldman Fund”) was established in 1997 with an original donation of \$500,000. Per the terms of the endowment agreement, the Goldman Fund is to be held in perpetuity and the income shall be used solely to pay for gifts and other tangible property, and birthday cakes and party supplies for the children and families served by the Organization. The second endowment, the Mrs. Joan Kroc Endowment Fund (the “Kroc Fund”) was established in 1994 with an original donation of \$586,250. Per the terms of the endowment agreement, the Kroc Fund is to be held in perpetuity and the income shall be used for operations.

The Board of Directors recognizes that New York State adopted as law the New York Prudent Management of Institutional Funds Act (“NYPMIFA”) on September 17, 2010. NYPMIFA replaces prior law, which was the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”).

In addition, the Board recognizes that NYPMIFA created a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted endowment fund’s fair value (averaged over a period of not less than the preceding five years) in any year.

The Organization’s investment strategy is to provide sufficient earnings in the form of a total return from both income and capital appreciations. The investments are managed so that over a reasonable period of time, the total return will exceed the sum of the percentage of distributions plus inflation and other investment expenses.

The Board explicitly appropriated all earnings as of and prior to September 17, 2010, whether deemed spent or not, as without donor restrictions. Following September 17, 2010, the Board (or a designated committee of the Board) will determine (quarterly, using a rolling five-year average) how much of the earnings of such funds restricted in perpetuity shall be appropriate for expenditure up to 7%, as deemed prudent at the time.

Endowment net assets are as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Perpetual endowment fund	\$ 1,086,250	\$ 1,086,250
Accumulated net gains on perpetual endowment fund	<u>72,333</u>	<u>25,903</u>
Endowment net assets, end of year	<u>\$ 1,158,583</u>	<u>\$ 1,112,153</u>

Gains and losses on net assets with perpetual endowment donor restrictions are recorded as net assets with donor restrictions until they are appropriated for expenditures in accordance with the spending policy. As of December 31, 2025 and 2024, accumulated gains not yet appropriated for spending related to the perpetual endowment fund were \$72,333 and \$25,903, respectively.

The Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment; and (c) accumulations to the endowment. GAAP requires, as a result of NYPMIFA, that the portion of a donor-restricted endowment fund to be classified as net assets with donor restrictions until appropriated for expenditures by the Board of Directors.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 10 – NET ASSETS (Continued)**

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

As of December 31, 2025 and 2024, total endowment net assets of \$1,158,583 and \$1,112,153, respectively, are included with investments in the accompanying statements of financial position.

**NOTE 11 – ALLOCATION OF JOINT COSTS**

The Organization conducted direct mail campaigns that included requests for contributions, as well as program components. During the years ended December 31, 2025 and 2024, the Organization incurred joint costs of \$827,111 and \$916,200, respectively, for informational materials and activities that were included in fundraising appeals. During the year ended December 31, 2025, \$156,261 was allocated to program expenses and \$670,850 was allocated to fundraising. During the year ended December 31, 2024, \$187,477 was allocated to program expenses and \$728,723 was allocated to fundraising.

**NOTE 12 – CONCENTRATIONS**

Cash and cash equivalents that potentially subject the Organization to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. As of December 31, 2025 and 2024, there was approximately \$2,199,000 and \$1,564,000, respectively, of cash and cash equivalents held by three banks that exceeded FDIC limits. Such excess includes outstanding checks and deposits in transit. Securities Investor Protection Corporation (“SIPC”) insurance limits are up to \$500,000, including \$250,000 limits for cash. As of December 31, 2025 and 2024, there were approximately \$945,000 and \$1,192,000, respectively, of cash and cash equivalents held by financial institutions that exceeded the amount covered by the SIPC limits.

**NOTE 13 – CONTINGENCIES**

***A. Compliance Requirements***

The Organization has a licensing agreement with Ronald McDonald Charities (“Charities”) whereby the Organization has the right to use certain trademarks. The Organization is required to meet certain compliance requirements as stipulated by the licensing agreement. As of December 31, 2025 and 2024, the Organization is in compliance with these requirements.

***B. Uncertain Tax Positions***

The Organization believes it had no uncertain tax positions as of December 31, 2025 and 2024 in accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 740, *Income Taxes*, which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

**RONALD MCDONALD HOUSE OF NEW YORK, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2025 AND 2024**

**NOTE 14 – CONTRIBUTED NONFINANCIAL ASSETS**

Noncash contributions and gifts in-kind included the following for the year ended December 31, 2025:

<b><u>Nonfinancial Asset</u></b>	<b><u>Amount</u></b>	<b><u>Usage in Programs/Activities</u></b>	<b><u>Donor-imposed Restrictions</u></b>	<b><u>Fair Value Technique</u></b>
Contributed professional fees	\$ 789,591	Program, management and general	No associated donor restriction	Based on fair value of services
Contributed program support	128,971	Program – Family Support	No associated donor restriction	Based on cost of supplies, food and beverages
Contributed entertainment and enrichment	175,307	Program – Education & Support	No associated donor restriction	Based on cost of supplies, food and beverages
Contributed consulting fees	37,930	Fundraising	No associated donor restriction	Based on fair value of services
Contributed Communications	203,840	Fundraising	No associated donor restriction	Based on fair value of services
Contributed events	176,208	Fundraising	No associated donor restriction	Based on cost of supplies, food and beverages
Contributed supplies	170,789	Program – Room Occupancy	No associated donor restriction	Based on cost of supplies, food and beverages
Donated food	<u>669,675</u>	Program – Volunteer Activities	No associated donor restriction	Based on cost of supplies, food and beverages
Total	<u>\$ 2,352,311</u>			

**RONALD MCDONALD HOUSE OF NEW YORK, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2025 AND 2024**

**NOTE 14 – CONTRIBUTED NONFINANCIAL ASSETS (Continued)**

Noncash contributions and gifts in-kind included the following for the year ended December 31, 2024:

<b><u>Nonfinancial Asset</u></b>	<b><u>Amount</u></b>	<b><u>Usage in Programs/Activities</u></b>	<b><u>Donor-imposed Restrictions</u></b>	<b><u>Fair Value Technique</u></b>
Contributed professional fees	\$ 412,219	Program, management and general	No associated donor restriction	Based on fair value of services
Contributed program support	161,094	Program – Family Support	No associated donor restriction	Based on cost of supplies, food and beverages
Contributed entertainment and enrichment	91,537	Program – Education & Support	No associated donor restriction	Based on cost of supplies, food and beverages
Contributed Communications	394,237	Fundraising	No associated donor restriction	Based on fair value of services
Contributed events	164,729	Fundraising	No associated donor restriction	Based on cost of supplies, food and beverages
Contributed supplies	44,970	Program – Room Occupancy	No associated donor restriction	Based on cost of supplies, food and beverages
Donated food	<u>711,678</u>	Program – Volunteer Activities	No associated donor restriction	Based on cost of supplies, food and beverages
Total	<u>\$ 2,092,100</u>			

Many volunteers, including members of the Board, have made significant contributions of time in furtherance of the Organization's policies and programs. The value of this contributed time does not meet the criteria for recognition and therefore is not reflected in the financial statements. The value of such contributed time amounted to \$726,363 and \$531,989, respectively, for the years ended December 31, 2025 and 2024.

**NOTE 15 – SUBSEQUENT EVENTS**

Management has evaluated events subsequent to the date of the statement of financial position through June 24, 2026, the date the financial statements were available to be issued.