CENTRAL INSTITUTE FOR THE DEAF

FINANCIAL STATEMENTS

AUGUST 31, 2025

CID CENTRAL INSTITUTE FOR THE DEAF

Contents

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Directors
Central Institute for the Deaf
St. Louis, Missouri

Opinion

We have audited the financial statements of Central Institute for the Deaf, a not-for-profit organization, which comprise the statement of financial position as of August 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 Central Institute for the Deaf as of August 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. 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 Central Institute for the Deaf 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 Central Institute for the Deaf'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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 Central Institute for the Deaf'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 Central Institute for the Deaf'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.

RubinBrown LLP

December 15, 2025

CENTRAL INSTITUTE FOR THE DEAF

STATEMENT OF FINANCIAL POSITION

Assets

	August 31, 2025	August 31, 2024
Cash and cash equivalents	$ 230,191	$ 186,933
Accounts receivable, net (Notes 2 and 6)	120,582	131,525
Employee retention credit receivable (Note 2)	—	1,067,330
Pledges receivable, net (Notes 3 and 14)	411,291	564,706
Investments (Notes 4 and 5)	110,902,366	102,780,043
Other assets	284,531	277,789
Property and equipment, net (Note 7)	1,719,344	1,559,262
Right-of-use assets (Note 13)	6,949,243	7,112,733
Beneficial interests in perpetual trusts (Notes 5 and 6)	7,992,211	7,609,120
Total Assets	$ 128,609,759	$ 121,289,441

Liabilities And Net Assets

	August 31, 2025	August 31, 2024
Liabilities		
Accounts payable	$ 132,971	$ 116,263
Other accrued liabilities	166,982	144,301
Deferred revenue (Note 2)	7,875	4,900
Lease liabilities (Note 13)	6,960,706	7,125,216
Total Liabilities	$ 7,268,534	$ 7,390,680
Net Assets		
Without Donor Restrictions		
Undesignated	$ 1,948,080	$ 1,860,401
Investment in property and equipment	1,719,344	1,559,262
Designated for capital asset acquisition	61,300	110,000
Board-designated endowment (Note 10)	46,552,386	44,018,214
Total Without Donor Restrictions	50,281,110	47,547,877
With Donor Restrictions		
Purpose and time restrictions (Note 9)	15,916,426	12,867,047
Perpetual in nature (Note 9)	55,143,689	53,483,837
Total With Donor Restrictions	71,060,115	66,350,884
Total Net Assets	121,341,225	113,898,761
Total Liabilities And Net Assets	$ 128,609,759	$ 121,289,441

CENTRAL INSTITUTE FOR THE DEAF

STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2025

		With Donor Restrictions			
	Without Donor Restrictions	Purpose And Time Restrictions	Perpetual In Nature	Total With Donor Restrictions	Total
Program Revenues					
Tuition and fees	$ 668,995	$ —	$ —	$ —	$ 668,995
Family center services	183,714	—	—	—	183,714
Audiology services and sales	267,565	—	—	—	267,565
Professional development services and sales	140,363	—	—	—	140,363
Other income	30,968	—	—	—	30,968
Total Program Revenues	1,291,605	—	—	—	1,291,605
Expenses					
Program Services					
School	5,567,309	—	—	—	5,567,309
Professional development	569,603	—	—	—	569,603
Total Program Activities	6,136,912	—	—	—	6,136,912
Supporting Services					
Management and general	1,141,123	—	—	—	1,141,123
Fundraising	514,294	—	—	—	514,294
Total Supporting Services	1,655,417	—	—	—	1,655,417
Total Expenses	7,792,329	—	—	—	7,792,329
Expenses In Excess Of Program Revenues	(6,500,724)	—	—	—	(6,500,724)
Public Support And Other Revenues					
Contributions (Notes 12 and 14)	876,203	426,573	296,577	723,150	1,599,353
Special events, net of expenses of $44,824	168,570	108,800	—	108,800	277,370
United Way	125,296	62,648	—	62,648	187,944
Investment income designated/ appropriated for operations (Notes 4, 6 and 10)	1,559,934	2,393,958	—	2,393,958	3,953,892
Net assets released from restrictions (Note 9)	3,921,004	(3,921,004)	—	(3,921,004)	—
Total Public Support And Other Revenues	6,651,007	(929,025)	296,577	(632,448)	6,018,559
Increase (Decrease) In Net Assets From Operations	150,283	(929,025)	296,577	(632,448)	(482,165)
Bequests	—	1,244,461	—	1,244,461	1,244,461
Change In Value Of Beneficial Interests In Perpetual Trusts (Notes 5 And 6)	—	—	383,091	383,091	383,091
Investment Income After Amount Designated/Appropriated For Operations (Note 4)	2,328,516	2,733,943	980,184	3,714,127	6,042,643
Employee Retention Credit Interest Income	176,674	—	—	—	176,674
Gain On Involuntary Conversion (Note 16)	77,760	—	—	—	77,760
Increase In Net Assets	2,733,233	3,049,379	1,659,852	4,709,231	7,442,464
Net Assets - Beginning Of Year	47,547,877	12,867,047	53,483,837	66,350,884	113,898,761
Net Assets - End Of Year	$ 50,281,110	$ 15,916,426	$ 55,143,689	$ 71,060,115	$ 121,341,225

CENTRAL INSTITUTE FOR THE DEAF

STATEMENT OF ACTIVITIES
For The Year Ended August 31, 2024

	Without Donor Restrictions	With Donor Restrictions: Purpose And Time Restrictions	With Donor Restrictions: Perpetual In Nature	With Donor Restrictions: Total With Donor Restrictions	Total
Program Revenues					
Tuition and fees	$ 589,244	$ —	$ —	$ —	$ 589,244
Family center services	181,445	—	—	—	181,445
Audiology services and sales	300,199	—	—	—	300,199
Professional development services and sales	181,190	—	—	—	181,190
Other income	29,342	—	—	—	29,342
Total Program Revenues	1,281,420	—	—	—	1,281,420
Expenses					
Program Services					
School	5,248,183	—	—	—	5,248,183
Professional development	566,402	—	—	—	566,402
Total Program Activities	5,814,585	—	—	—	5,814,585
Supporting Services					
Management and general	1,118,803	—	—	—	1,118,803
Fundraising	508,213	—	—	—	508,213
Total Supporting Services	1,627,016	—	—	—	1,627,016
Total Expenses	7,441,601	—	—	—	7,441,601
Expenses In Excess Of Program Revenues	(6,160,181)	—	—	—	(6,160,181)
Public Support And Other Revenues					
Contributions (Notes 12 and 14)	810,513	712,167	1,769,114	2,481,281	3,291,794
Special events, net of expenses of $65,508	174,360	165,055	—	165,055	339,415
United Way	139,219	69,608	—	69,608	208,827
Investment income designated/ appropriated for operations (Notes 4, 6 and 10)	1,544,305	2,311,499	—	2,311,499	3,855,804
Net assets released from restrictions (Note 9)	3,219,426	(3,219,426)	—	(3,219,426)	—
Total Public Support And Other Revenues	5,887,823	38,903	1,769,114	1,808,017	7,695,840
Increase (Decrease) In Net Assets From Operations	(272,358)	38,903	1,769,114	1,808,017	1,535,659
Bequests	187,975	—	—	—	187,975
Change In Value Of Beneficial Interests In Perpetual Trusts (Notes 5 And 6)	—	—	858,188	858,188	858,188
Investment Income After Amount Designated/Appropriated For Operations (Note 4)	4,513,528	4,806,089	1,909,932	6,716,021	11,229,549
Employee Retention Credit (Note 2)	1,067,330	—	—	—	1,067,330
Increase In Net Assets	5,496,475	4,844,992	4,537,234	9,382,226	14,878,701
Net Assets - Beginning Of Year	42,051,402	8,022,055	48,946,603	56,968,658	99,020,060
Net Assets - End Of Year	$ 47,547,877	$ 12,867,047	$ 53,483,837	$ 66,350,884	$ 113,898,761

CENTRAL INSTITUTE FOR THE DEAF

STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended August 31, 2025

	Program Services			Supporting Services		
	School	Professional Development	Total Program Services	Management And General	Fundraising	Total
Expenses						
Salaries	$ 3,168,440	$ 310,469	$ 3,478,909	$ 709,934	$ 322,626	$ 4,511,469
Employee benefits	580,453	56,877	637,330	130,059	59,105	826,494
Payroll taxes	231,236	22,658	253,894	51,812	23,546	329,252
Total salaries and related expenses	3,980,129	390,004	4,370,133	891,805	405,277	5,667,215
Contract service payments	163,919	44,388	208,307	79,344	51,350	339,001
Costs of hearing devices	115,937	—	115,937	—	—	115,937
Miscellaneous	26,018	18,310	44,328	36,590	12,962	93,880
Occupancy	884,864	49,056	933,920	37,286	25,630	996,836
Office equipment, rental and supplies	3,735	187	3,922	5,389	817	10,128
Postage and shipping	1,591	7,272	8,863	1,564	3,608	14,035
Professional and consulting fees	—	—	—	33,393	—	33,393
Program expenses	101,639	2,018	103,657	14,156	7,485	125,298
Public relations/advertising	—	—	—	28,547	—	28,547
Publications	—	44,011	44,011	—	—	44,011
Staff training	45,554	29	45,583	1,414	783	47,780
Telephone	3,190	371	3,561	202	177	3,940
Total Expenses Before Depreciation And Amortization	5,326,576	555,646	5,882,222	1,129,690	508,089	7,520,001
Depreciation And Amortization	240,733	13,957	254,690	11,433	6,205	272,328
Total Expenses	$ 5,567,309	$ 569,603	$ 6,136,912	$ 1,141,123	$ 514,294	$ 7,792,329

CENTRAL INSTITUTE FOR THE DEAF

STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended August 31, 2024

	Program Services			Supporting Services		
	School	**Professional Development**	**Total Program Services**	**Management And General**	**Fundraising**	**Total**
Expenses						
Salaries	$ 2,951,120	$ 304,797	$ 3,255,917	$ 689,413	$ 318,637	$ 4,263,967
Employee benefits	471,996	48,749	520,745	110,263	50,962	681,970
Payroll taxes	217,909	22,506	240,415	50,906	23,528	314,849
Total salaries and related expenses	3,641,025	376,052	4,017,077	850,582	393,127	5,260,786
Contract service payments	177,016	50,577	227,593	78,832	50,593	357,018
Costs of hearing devices	131,509	—	131,509	—	—	131,509
Miscellaneous	27,861	15,101	42,962	33,193	14,882	91,037
Occupancy	866,012	47,964	913,976	36,456	24,200	974,632
Office equipment, rental and supplies	4,531	820	5,351	2,222	2,498	10,071
Postage and shipping	1,385	7,667	9,052	1,381	3,061	13,494
Professional and consulting fees	—	—	—	68,833	—	68,833
Program expenses	124,725	4,110	128,835	15,641	10,008	154,484
Public relations/advertising	—	—	—	18,389	—	18,389
Publications	—	49,544	49,544	—	—	49,544
Staff training	44,437	315	44,752	1,905	2,906	49,563
Telephone	3,012	380	3,392	172	196	3,760
Total Expenses Before Depreciation And Amortization	5,021,513	552,530	5,574,043	1,107,606	501,471	7,183,120
Depreciation And Amortization	226,670	13,872	240,542	11,197	6,742	258,481
Total Expenses	$ 5,248,183	$ 566,402	$ 5,814,585	$ 1,118,803	$ 508,213	$ 7,441,601

CENTRAL INSTITUTE FOR THE DEAF

STATEMENT OF CASH FLOWS

	For The Years Ended August 31, 2025	2024
Cash Flows From Operating Activities		
Change in net assets	$ 7,442,464	$ 14,878,701
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	272,328	258,481
Gain on involuntary conversion	(77,760)	—
Contributions restricted for capital projects	(130,242)	(278,565)
Contributions restricted for endowment	(296,577)	(1,769,114)
Change in value of beneficial interests in perpetual trusts	(383,091)	(858,188)
Net realized gains on investments	(12,931,566)	(1,644,147)
Net unrealized (gains) losses on investments	5,481,829	(10,967,583)
Changes in assets and liabilities:		
Accounts receivable	10,943	(57,860)
Employee retention credit receivable	1,067,330	(1,067,330)
Right-of-use assets and lease liabilities	(1,078)	(1,080)
Pledges receivable	67,406	(63,848)
Bequests receivable	—	78,521
Other assets	(6,742)	26,641
Accounts payable	(11,877)	35,244
Other accrued liabilities	22,681	20,314
Deferred revenue	2,975	(1,582)
Net Cash Provided By (Used In) Operating Activities	529,023	(1,411,395)
Cash Flows From Investing Activities		
Purchases of property and equipment	(401,803)	(102,858)
Purchases of investments	(64,749,766)	(18,759,289)
Proceeds from sale of investments	65,528,217	17,567,001
Insurance proceeds from involuntary conversion, net	86,720	—
Net Cash Provided By (Used In) Investing Activities	463,368	(1,295,146)
Cash Flows From Financing Activities		
Proceeds from contributions restricted for capital projects	170,069	—
Proceeds from contributions restricted for endowment	342,759	1,709,793
Payments on finance lease labilities	(10,924)	(10,708)
Net Cash Provided By Financing Activities	501,904	1,699,085
Net Increase (Decrease) In Cash And Cash Equivalents	1,494,295	(1,007,456)
Cash And Cash Equivalents - Beginning Of Year	1,966,872	2,974,328
Cash And Cash Equivalents - End Of Year	$ 3,461,167	$ 1,966,872
Cash And Cash Equivalents Are Included Within The Following Captions On The Statement Of Financial Position		
Cash and cash equivalents	$ 230,191	$ 186,933
Cash and cash equivalents - investments	3,230,976	1,779,939
	$ 3,461,167	$ 1,966,872
Supplemental Disclosure Of Cash Flow Information		
Property and equipment acquisitions included in accounts payable	$ 28,585	$ —

1. Mission And Operations

Central Institute for the Deaf (CID) is a private, not-for-profit organization located in the City of St. Louis, Missouri. CID's mission is to teach children who are deaf and hard of hearing to listen, talk, read, and succeed. CID empowers families and professionals in St. Louis and worldwide to help children reach their fullest potential.

CID's primary sources of revenue are public support and investment income.

Description Of Program Services And Supporting Activities

The following program services and supporting activities are included in the accompanying financial statements:

Program Services

CID's school services include:

- A family center that works with children from birth up to age 3 who are deaf and hard-of-hearing along with their parents and other caregivers. Services include parent education and coaching sessions and a toddler class program that provides individual therapy and group activities focused on developing early listening, speech and language skills,

- A school that teaches listening and spoken language to children ages 3 - 12 years who are deaf and hard-of-hearing as they learn age-appropriate academic subjects,

- On-site pediatric audiology services for children from birth up to age 18 to keep their hearing devices in optimal condition for listening and speaking and contracted educational audiology services to school districts,

- Educational research and assessment to quantify successful teaching strategies for children who are deaf and hard-of-hearing,

- Graduate-level training and practicum experiences for students learning to be teachers of the deaf, audiologists and other related professionals.

CID's professional development services include:

Workshops, consulting services, on-line courses, and CID-developed teaching materials that are provided to other professionals who serve children who are deaf and hard-of-hearing outside of CID.

Management And General

Includes the functions necessary to provide support to instructional programs; ensure an adequate working environment; provide coordination and articulation of CID's program strategy; market CID through the admissions program and advertising; secure proper administrative functioning of CID's Board of Directors; and manage the fiscal responsibilities of CID.

Fundraising

Includes those functions necessary to advance the mission of the institution: fundraising, marketing, communication to the parent community and alumni relations; provides the structure to encourage private financial support from individuals, as well as from auxiliary groups, corporations and foundations, via direct gifts and fundraising events.

2. Summary Of Significant Accounting Policies

Basis Of Accounting

CID prepares its financial statements on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred.

Basis Of Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board for not-for-profit organizations by presenting assets and liabilities within similar groups and classifying them in ways that provide relevant information about their interrelationships, liquidity, and financial flexibility.

As a result, CID is required to report its financial position and activities according to the following classes of net assets:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of management and the Board of Directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of CID or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Estimates And Assumptions

CID 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.

Operating And Nonoperating Activity

The activity of CID has been further segregated into operating versus nonoperating. Operating activity reflects those activities that are part of its ongoing program services and supporting activities. Nonoperating activity reflects those activities that are typically related to special fundraising campaigns, investment income (losses) after amount designated/appropriated for operations, bequests or other unusual and nonrecurring expenditures.

Cash And Cash Equivalents

CID considers all temporary cash investments to be cash equivalents. These temporary cash investments are securities held for cash management and have original maturities of three months or less. Cash and cash equivalents do not include deposits held in funds managed by others on behalf of CID.

CID maintains its cash balances with financial institutions with strong credit ratings. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per financial institution. At August 31, 2025, such balances were in excess of FDIC insurance limits by approximately $41,000.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding. The carrying amount is reduced by a valuation allowance, through a charge to earnings, that reflects management's best estimate of amounts that will not be collected. This assessment considers historical experience, current conditions, and when appropriate, reasonable and supportable forecasts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

CID provides for an allowance for credit losses on its accounts receivable. To estimate the current expected credit losses, receivables have been grouped based on the historical collection experience, aging of receivables, and other economic and industry factors. The allowance is determined by applying an expected credit loss percentage to the carrying value of the assets by categories. The percentage, which are updated at least annually, are based on the historical experience, and may be adjusted to the extent that future results are expected to differ from past experience. Additionally, the allowance is also adjusted due to the changes in the collectability assessment of individual balances.

At August 31, 2025 and 2024, the allowance for current expected credit losses was $14,902 and $6,410, respectively.

Pledges Receivable

Unconditional promises to give are recognized as support in the period the promises are received. Conditional promises to give, that is, those with a measurable performance or other barrier, are not recognized until the conditions on which they depend have been met.

An allowance for uncollectible pledges receivable is provided based upon CID's estimate of amounts which will ultimately not be collected. The estimate is based on historical collection experience and a review of the current status of existing pledges receivable. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual pledges receivable. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to pledges receivable.

Unconditional pledges receivable due in future periods are recorded at the present value of their estimated future cash flows. The discount on long-term pledges receivable is computed using risk-free interest rates applicable to the years in which the pledges are received, which are believed to approximate the market rate of return for similar assets. Amortization of the discounts is included in contribution revenue.

Investments

Investments are reported at fair value. The fair values of all debt and equity securities with readily determinable fair values are based on quotations obtained from national securities exchanges. Investments that are not readily marketable are carried at estimated fair values as provided by the investment managers. CID reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair values of these investments. Those estimated fair values may differ from the values that would have been used had a ready market for these securities existed.

Realized gains or losses on investments are determined based on the difference between the proceeds received and the cost of the investments sold, using the specific cost identification method. Unrealized gains and losses are determined based on year-end fair value fluctuations on investments held at fiscal year end.

Investments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with various types of investments, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Property And Equipment

Property and equipment are carried at cost, if purchased, or at fair value, if donated, less accumulated depreciation and amortization computed using the straight-line method. Additions exceeding $5,000 are capitalized. The assets are depreciated and amortized over the following periods:

Leasehold improvements	5 - 20 years
Furniture and fixtures	5 - 10 years
Equipment	3 - 10 years

CID reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. No impairment loss has been recognized in 2025 or 2024.

Restricted Support

CID reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Leases

CID accounts for its lease arrangements in accordance with Accounting Standard Codification (ASC) Topic 842, *Leases*. As further described in Note 13, CID maintains leases for school facilities and office equipment. Lease right-of-use (ROU) assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease terms at commencement date. The ROU assets represent the lease liability plus any lease payment made at or before the commencement date, less any lease incentives received. CID's leases generally have terms of four to five years with renewal options. CID is likely to exercise the renewal options; therefore, they have been included in the ROU asset and lease liability. CID does not record ROU assets or lease liabilities with an initial expected lease term of 12 months or less. For operating expenses, lease expense for minimum lease payments is recognized on a straight-line basis over the term of the lease.

As most leases do not provide an implicit discount rate, CID has made an election available to private companies that allows the use of the risk-free rate at the lease commencement date to determine the present value of the lease payments for operating leases.

CID does not separate non-lease components of contract from the lease components to which they relate for all classes of lease assets.

Revenue Recognition And Deferred Revenue

CID's program revenue is derived primarily from listening and spoken language services provided to children and families.

Tuition And Fees

Tuition and fees relate to listening and spoken language, as well as academic instruction provided to children ages 3 - 12. Tuition, net of scholarships, is recognized as revenue over the course of the academic school year for which it is earned. All students receive either full scholarship or the tuition is billed directly to the students' school districts that have contracted with CID. CID issues tuition agreements to all students documenting the portion of their tuition funded by scholarship or by their school district. Scholarships provided to students was $1,096,214 and $1,035,879 for the years ended August 31, 2025 and 2024, respectively.

Tuition is billed to school districts monthly based upon the number of school days completed in the prior month multiplied by CID's daily tuition rate. Miscellaneous fees such as activity fees and registration fees are billed to the students' legal guardians and recognized as revenue when the services are delivered.

If a student withdraws prior to the first day of the school year, the student (or their district) is entitled to a full refund of any tuition and refundable fees paid. If a student withdraws subsequent to the start of the school year, any tuition paid would be refunded on a prorated basis based on the number of school days enrolled.

Tuition and fee payments received for future school years are recorded as deferred revenue until earned or refunded.

Family Center Services

Family center services revenue relates to the services provided to children from birth up to age 3 and their parents and other caregivers. Services include:

- Family sessions to educate parents and caregivers about hearing loss, listening devices and early childhood development as well as coach them on strategies to help their children learn to listen and talk,

- Toddler classes that incorporate play-based group activities along with individual therapy sessions focused on each child's listening, language, vocabulary and speech goals.

CID family center staff are credentialed early intervention providers under Missouri First Steps and Illinois Child and Family Connections. Family center services revenue is recognized over the time the service is provided. Standard rates for family center services are determined by CID; however, billed revenue is reduced to the allowable reimbursement rate for the specific services determined by the state agencies. No revenue is collected in advance.

Audiology Services And Sales

Audiology services and sales revenue relates to services provided to children from ages 0 - 18, who are deaf and hard-of-hearing. Services and products provided include audiological testing and evaluation, hearing device sales and repairs, hearing device and cochlear implant programming, and sales of audiological supplies.

CID also has contracts with local school districts to provide educational audiology consulting and services for the deaf and hard-of hearing students attending school in those districts.

Audiology services are recognized over the time the service is provided, and sales revenues are recognized at the point in time when the products and services are delivered. Fees are billed to families or third-party payors, such as private insurance, Medicaid, Missouri First Steps, Illinois Child and Family Connections, and school districts. No revenue is collected in advance.
Standard rates for audiology services and sales are determined by CID; however, billed revenue is reduced to the allowable reimbursement rate for the specific product or services as determined by the third-party payors. CID will reduce standard rates for private pay families that require financial assistance.

Professional Development Services And Sales

Professional development services and sales revenue relates to services and products provided to professionals and other educational organizations outside of CID who serve deaf and hard-of-hearing children. Revenues are recognized over the time the services are performed, and the product sales are recognized at a point in time when they are shipped. Customers have 30 days to return products for an exchange or refund.

Workshop registration fees collected in advance and deposits for consulting services that will be conducted in the future are recorded as deferred revenue.

Employee Retention Credit

The Coronavirus Aid, Relief, and Economic Security Act provided an employee retention credit, which is a refundable tax credit against certain employment taxes up to $5,000 per employee for eligible employers. The credit was equal to 50% of qualified wages paid to employees during a quarter, capped at $10,000 of qualified wages through December 31, 2020.

The Consolidated Appropriation Act of 2021 extended the availability of the employee retention credit through December 31, 2021. However, certain provisions apply only after December 31, 2020. This new legislation amended the employee retention credit to be equal to 70% of qualified wages paid to employees after December 31, 2020 and before December 31, 2021. During 2021, a maximum of $10,000 in qualified wages for each employee per calendar quarter was counted in determining the 70% credit. Therefore, the maximum tax credit that could have been claimed by an eligible employer in 2021 was $7,000 per employee per calendar quarter. The Infrastructure Investment and Jobs Act, which was signed into law in November 2021, changed the ending date of availability of the employee retention credit to September 30, 2021.

CID qualified for the credit beginning on April 1, 2020 through June 30, 2020 and January 1, 2021 through June 30, 2021, and applied for credits for qualified wages for these periods. During the year ended August 31, 2024, employee retention credits of $1,067,330 were recognized when credits were applied for. The full amount was received during fiscal year 2025 and there is no amount outstanding for the year ended August 31, 2025.

Functional Expense Allocation

The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of CID are reported as specific to that functional area. Expenses that benefit multiple functional or program areas have been allocated across programs and other supporting services based on personnel time studies and square footage.

See summary below for specific allocation methods used for various expenses:

Natural Category	Allocation Methodology
Salaries and related expenses	Personnel time studies
Occupancy	Square footage
Depreciation and amortization	Direct charge and square footage

Income Taxes

The United States Treasury Department has advised that CID constitutes a qualified not-for-profit organization and is, therefore, exempt from federal income taxes on related, exempt income under Section 501(c)(3) of the Internal Revenue Code.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

3. Pledges Receivable

The present value of pledges receivable expected to be collected in the future is as follows:

	2025			
	Capital	Operations And Programs	Endowment	Total
Less than one year	$ 125,000	$ 123,991	$ 50,000	$ 298,991
One to five years	123,946	—	—	123,946
	248,946	123,991	50,000	422,937
Less: Unamortized discount	10,208	719	719	11,646
	$ 238,738	$ 123,272	$ 49,281	$ 411,291

	2024			
	Capital	Operations And Programs	Endowment	Total
Less than one year	$ 100,000	$ 135,608	$ 50,000	$ 285,608
One to five years	200,000	59,988	50,000	309,988
	300,000	195,596	100,000	595,596
Less: Unamortized discount	21,435	4,918	4,537	30,890
	$ 278,565	$ 190,678	$ 95,463	$ 564,706

During 2025 and 2024, discount rates ranging from 6.3% to 6.8% and discounts ranging from 1.8% to 6.8%, respectively, were used to record pledges receivable at the present value of the future cash flows.

4. Investments

Investments by net asset class are summarized as follows:

	2025	2024
Without Donor Restrictions		
Undesignated	$ 1,632,067	$ 474,771
Designated for capital asset acquisition	61,300	110,000
Board-designated endowment (Note 10)	46,552,386	44,018,214
With Donor Restrictions		
Purpose and time restricted	1,976,259	1,534,289
Accumulated unspent earnings on endowment funds (Note 10)	13,578,157	10,863,515
Perpetual in nature (Notes 9 and 10)	47,102,197	45,779,254
	$ 110,902,366	$ 102,780,043

Investment income consists of the following:

	2025	2024
Interest and dividends, net of expenses	$ 2,160,320	$ 2,185,870
Distributions from perpetual trusts	386,478	287,753
Realized gains on investments	12,931,566	1,644,147
Unrealized gains (losses) on investments	(5,481,829)	10,967,583
	$ 9,996,535	$ 15,085,353

Investment income is presented within the statement of activities as follows:

	2025	2024
Investment income designated/appropriated for operations	$ 3,953,892	$ 3,855,804
Investment income after amount designated/appropriated for operations	6,042,643	11,229,549
	$ 9,996,535	$ 15,085,353

5. Fair Value Measurements

CID accounts for certain assets at fair value as required by generally accepted accounting principles. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The valuation techniques are required to maximize the use of observable inputs and minimize the use of unobservable inputs.

There are three general valuation techniques that may be used to measure fair value, as described below:

Market approach - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Cost approach - Based on the amount that currently would be required to replace the service capacity of an asset.

Income approach - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts.

Investments measured and reported at fair value are classified and disclosed in one of the following three categories:

Level 1 Quoted prices that are readily available in active markets/exchanges for identical investments. Typically, these investments are actively traded on a daily basis.

Level 2 Pricing inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly. These investments may be priced daily, but are not necessarily traded on a daily basis.

Level 3 Significant pricing inputs that are unobservable for the investment and includes investments for which there is little, if any, market activity for the investment.

The following are the major categories of assets measured at fair value on a recurring basis:

	August 31, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Common stock	$ 17,482,228	$ —	$ —	$ 17,482,228
Exchange traded funds	9,466,509	—	—	9,466,509
Domestic mutual funds	33,027,957	—	—	33,027,957
International equity mutual funds	10,084,397	—	—	10,084,397
Fixed income mutual funds	14,358,418	—	—	14,358,418
Real estate mutual funds	1,852,496	—	—	1,852,496
Corporate debt obligations	—	9,778,840	—	9,778,840
Mortgage-backed securities	—	4,044,358	—	4,044,358
Treasury securities	5,320,446	—	—	5,320,446
Government agency securities	—	282,138	—	282,138
Asset-backed securities	—	436,718	—	436,718
Taxable municipal bonds	—	1,536,885	—	1,536,885
Cash equivalents				3,230,976
Total Investments	$ 91,592,451	$ 16,078,939	$ —	$ 110,902,366
Beneficial interests in perpetual trusts	$ —	$ —	$ 7,992,211	$ 7,992,211

	August 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Common stock	$ 20,736,587	$ —	$ —	$ 20,736,587
Exchange traded funds	11,274,708	—	—	11,274,708
Domestic mutual funds	32,742,611	—	—	32,742,611
International equity mutual funds	5,174,258	—	—	5,174,258
Fixed income mutual funds	8,571,045	—	—	8,571,045
Real estate mutual funds	1,386,933	—	—	1,386,933
Corporate debt obligations	—	11,608,453	—	11,608,453
Mortgage-backed securities	—	2,430,267	—	2,430,267
Treasury securities	4,375,479	—	—	4,375,479
Government agency securities	—	413,552	—	413,552
Asset-backed securities	—	547,814	—	547,814
Taxable municipal bonds	—	1,738,397	—	1,738,397
Cash equivalents				1,779,939
Total Investments	$ 84,261,621	$ 16,738,483	$ —	$ 102,780,043
Beneficial interests in perpetual trusts	$ —	$ —	$ 7,609,120	$ 7,609,120

At August 31, 2025 and 2024, the Level 2 and Level 3 assets utilize the following valuation techniques and inputs:

Corporate Debt Obligations: The fair value of investments in U.S. and international corporate bonds is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker-dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options.

Mortgage-Backed Securities, Government Agency Securities, Asset-Backed Securities, and Taxable Municipal Bonds: The fair value of investments in these securities is primarily determined using techniques consistent with the income approach. Significant observable inputs to the income approach include data points for benchmark constant maturity curves and spreads.

Beneficial Interests In Perpetual Trusts: The fair value of the beneficial interests in perpetual trusts held by others is determined by the fair value of the assets in the trust as a practical expedient unless facts and circumstances indicate that the fair value of the assets in the trust differs from the fair value of the beneficial interests.

The following is a reconciliation of the balances for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the years ended August 31, 2025 and 2024:

	Beneficial Interests In Perpetual Trusts
Balance - September 1, 2023	$ 6,750,932
Change in value of beneficial interests in perpetual trusts	858,188
Balance - August 31, 2024	7,609,120
Change in value of beneficial interests in perpetual trusts	383,091
Balance - August 31, 2025	$ 7,992,211

Beneficial interests in perpetual trusts held by others are classified within Level 3 of the fair value hierarchy since CID does not have access to any existing markets in which its beneficial interests can be bought or sold.

During 2025 and 2024, there were no changes in the methods and/or assumptions utilized to derive the fair value of CID's assets.

6. Beneficial Interests In Perpetual Trusts

Beneficial interests in perpetual trusts consist of unconditional promises to give from perpetual trusts created by independent donors that are not in the possession or control of CID but are held and administered by independent bank trustees. CID only derives income from these trusts, which is recorded as purpose restricted based upon the donors' restrictions for utilization. The principal of each trust is not available to CID. CID has recorded the trusts as perpetual in nature net assets since the trusts are created to continue in perpetuity.

The beneficial interests in perpetual trusts by donor restrictions are as follows:

	2025	**2024**
General operations	$ 1,225,260	$ 1,148,522
School scholarships	3,427,447	3,231,306
School programs	1,300,212	1,219,109
Multiple purposes	2,039,292	2,010,183
	$ 7,992,211	$ 7,609,120

Distributions from perpetual trusts of $386,478 and $287,753 in 2025 and 2024, respectively, are for the restricted purposes noted above and included in investment income designated/appropriated for operations on the statement of activities (Note 4). The amount unpaid as of August 31, 2025 and 2024 was $22,572 and $3,271, respectively, and is included in accounts receivable on the statement of financial position.

7. Property And Equipment

Property and equipment consists of the following:

	2025	2024
Leasehold improvements	$ 3,060,363	$ 2,926,428
Furniture and fixtures	1,003,912	1,048,029
Equipment	513,358	634,593
Construction in progress	—	77,547
	4,577,633	4,686,597
Less: Accumulated depreciation and amortization	2,858,289	3,127,335
	$ 1,719,344	$ 1,559,262

8. Line Of Credit

CID has a bank line of credit with maximum borrowings of $1,500,000 at August 31, 2025 and 2024. The line of credit is secured by the board-designated investment account held by the same bank. Interest on the line of credit is calculated based on the bank's prime rate less 1.75%. The interest rate in effect at August 31, 2025 was 5.75%. Amounts outstanding on the line of credit are due in February 2026. Upon expiration, CID is expected to renew the line of credit under similar terms.

No borrowings were made and no interest was incurred in 2025 or 2024. There were no outstanding borrowings under the line of credit at August 31, 2025 or 2024.

9. Net Assets With Donor Restrictions

Net assets with purpose and time restrictions are restricted for the following:

	2025	2024
General operations	$ 7,274,749	$ 5,940,386
Capital additions	—	278,565
School programs	3,694,564	3,565,955
School scholarships	4,947,113	3,082,141
	$ 15,916,426	$ 12,867,047

Net assets were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by donors as follows:

	2025	2024
General operations	$ 968,118	$ 984,253
Capital additions	410,000	19,326
School programs	1,405,610	1,069,583
School scholarships	1,137,276	1,146,264
	$ 3,921,004	$ 3,219,426

Net assets with perpetual in nature restrictions are restricted to income generation for the following purposes:

	2025	2024
General operations	$ 17,017,238	$ 16,684,325
School programs	5,597,298	5,505,095
School scholarships	10,177,983	9,952,541
Multiple purposes	22,351,170	21,341,876
	$ 55,143,689	$ 53,483,837

Net assets with perpetual in nature restrictions are reflected within the statement of financial position as:

	2025	2024
Investments (Note 4)	$ 47,102,197	$ 45,779,254
Pledges receivable (Note 3)	49,281	95,463
Beneficial interests in perpetual trusts (Note 6)	7,992,211	7,609,120
	$ 55,143,689	$ 53,483,837

10. Endowment Funds

CID's endowment consists of approximately 70 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation Of Relevant Law

The Board of Directors of CID has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the original gift amount of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, CID classifies as perpetual in nature net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature net assets is classified as unappropriated endowment earnings until those amounts are appropriated for expenditure by CID in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, CID considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the funds;
(2) The purposes of the organization and the donor-restricted endowment fund;
(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; and
(7) The investment and operating reserves policies of CID.

CID has a policy that permits prudent spending from underwater endowments, unless otherwise precluded by donor intent or relevant laws and regulations.

Endowment Asset Composition By Type Of Fund As Of August 31, 2025:

		With Donor Restrictions		
	Without Donor Restrictions	Unappropriated Endowment Earnings	Perpetual In Nature	Total
Donor-restricted endowment funds	$ —	$ 13,578,157	$ 47,102,197	$ 60,680,354
Board-designated endowment funds	46,552,386	—	—	46,552,386
	$ 46,552,386	$ 13,578,157	$ 47,102,197	$107,232,740

Endowment Asset Composition By Type Of Fund As Of August 31, 2024:

		With Donor Restrictions		
	Without Donor Restrictions	Unappropriated Endowment Earnings	Perpetual In Nature	Total
Donor-restricted endowment funds	$ —	$ 10,863,515	$ 45,779,254	$ 56,642,769
Board-designated endowment funds	44,018,214	—	—	44,018,214
	$ 44,018,214	$ 10,863,515	$ 45,779,254	$100,660,983

Changes In Endowment Assets For The Fiscal Year Ended August 31, 2025:

		With Donor Restrictions		
	Without Donor Restrictions	Unappropriated Endowment Earnings	Perpetual In Nature	Total
Endowment assets, beginning of year	$ 44,018,214	$ 10,863,515	$ 45,779,254	$100,660,983
Investment income:				
Investment income	850,998	1,309,322	—	2,160,320
Net realized and unrealized gains	3,037,452	3,432,101	980,184	7,449,737
Total investment income	3,888,450	4,741,423	980,184	9,610,057
Proceeds from endowment contributions	—	—	342,759	342,759
Transfers to board-designated endowment	205,656	—	—	205,656
Appropriations	(1,559,934)	(2,026,781)	—	(3,586,715)
Endowment assets, end of year	$ 46,552,386	$ 13,578,157	$ 47,102,197	$107,232,740

Changes In Endowment Assets For The Fiscal Year Ended August 31, 2024:

	Without Donor Restrictions	With Donor Restrictions: Unappropriated Endowment Earnings	With Donor Restrictions: Perpetual In Nature	Total
Endowment assets, beginning of year	$ 38,144,464	$ 6,058,757	$ 42,159,529	$ 86,362,750
Investment income:				
Investment income	799,327	1,386,543	—	2,185,870
Net realized and unrealized gains	5,258,506	5,443,292	1,909,932	12,611,730
Total investment income	6,057,833	6,829,835	1,909,932	14,797,600
Proceeds from endowment contributions	—	—	1,709,793	1,709,793
Bequests transferred to board-designated endowment	266,497	—	—	266,497
Transfers to board-designated endowment	1,093,725	—	—	1,093,725
Appropriations	(1,544,305)	(2,025,077)	—	(3,569,382)
Endowment assets, end of year	$ 44,018,214	$ 10,863,515	$ 45,779,254	$100,660,983

Funds With Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires CID to retain as a fund of perpetual duration. There were no underwater endowments at August 31, 2025 or 2024.

Return Objectives And Risk Parameters

CID has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that CID must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that assumes a moderate level of investment return. CID expects its endowment funds, over time, to provide an average rate of return of approximately 5% or more annually. Actual returns in any given year may vary from this goal.

Strategies Employed For Achieving Objectives

To satisfy its long-term rate-of-return objectives, CID relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). CID targets a diversified asset allocation that, depending on the particular fund, places a greater emphasis on either equity-based or fixed-income investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy And How The Investment Objectives Relate To Spending Policy

CID has a policy of appropriating for distribution each year an amount computed at up to 5% of the average value of endowment fund assets for the twelve quarters preceding May 31st. Certain endowed balances are subject to donor-imposed spending thresholds, which may be more or less than 5% of the endowment fair value. In addition, certain endowed balances have donor-imposed conditions requiring the reinvestment into the corpus of the endowment investment income earned in excess of the amount calculated for appropriation. CID expects the earnings of the endowment funds to exceed this distribution rate over the long term, but not necessarily in any individual year.

11. Retirement Plan

CID has a 403(b) defined contribution plan which includes a nonelective employer contribution, determined annually by CID, with graded vesting at 20% per year that begins after two years of service. The plan also includes a 100% matching employer contribution of each participant's elective deferral, up to 2% of each participant's annual compensation with immediate vesting. The nonelective employer contribution for 2025 and 2024 is 4% of each participant's annual compensation.

CID's 4% employer contributions amounted to $158,280 and $148,006 in 2025 and 2024, respectively. CID's matching employer contributions amounted to $87,457 and $82,245 in 2025 and 2024, respectively.

12. Related Party Transactions

During the years ended August 31, 2025 and 2024, CID received approximately $1,957,000 and $1,974,000 respectively, in contributions from various Board members and companies of which Board members are executives or owners.

13. Leases

CID is a nonvoting associate member in the Washington University Medical Center Redevelopment Corporation (the Corporation), a wholly owned subsidiary of Washington University Medical Center. CID has the option and can elect to participate in ventures on a case-by-case basis entered into by the Corporation.

CID has an operating lease for its school facilities from Washington University under an agreement that contained an initial term of five years with eight five-year renewal options. CID renewed the lease for a sixth five-year term on February 20, 2024. This lease includes options to renew or terminate the lease that can be exercised at CID's discretion, these renewal options extend to February 20, 2049.

CID also has a financing lease for office equipment. This lease has a 4-year term expiring in 2027.

The components of lease expense for the years ended August 31, 2025 and 2024 are as follows:

Finance Lease Costs	**Classification**	**2025**	**2024**
Amortization of ROU assets	*Depreciation and Amortization*	$ 10,982	$ 10,982
Interest	*Miscellaneous*	512	728
		$ 11,494	$ 11,710

The ROU assets and lease liabilities are included within the statement of financial position as follows:

	August 31,	
	2025	**2024**
Assets		
ROU assets - operating leases	$ 6,930,025	$ 7,082,533
ROU assets - finance leases	19,218	30,200
	$ 6,949,243	$ 7,112,733
Liabilities		
Operating lease liabilities	$ 6,941,055	$ 7,094,641
Finance lease liabilities	19,651	30,575
	$ 6,960,706	$ 7,125,216

Supplemental cash flow and other information related to leases for the years ended August 31, 2025 and 2024 are as follows:

	2025	2024
Cash Flow Information:		
Cash paid for operating leases included in operating activities	$ 502,020	$ 502,020
Cash paid for finance leases included in operating activities	512	728
Cash paid for finance leases included in financing activities	10,924	10,708
Other Information:		
Weighted-average remaining term - operating leases	23.42 years	24.42 years
Weighted-average remaining term - finance leases	1.75 years	2.75 years
Weighted-average discount rate - operating leases	4.96%	4.96%
Weighted-average discount rate - finance leases	2.00%	2.00%

The undiscounted cash flows for each of the next five years and thereafter of the leases reconciled to the lease liabilities recorded on the statement of financial position is as follows:

Year	Operating Leases	Finance Leases
2026	$ 502,020	$ 11,436
2027	502,020	8,577
2028	502,020	—
2029	502,020	—
2030	502,020	—
Thereafter	9,231,311	—
Total minimum lease payments	11,741,411	20,013
Less: Amount of lease payments representing interest	4,800,356	362
Present value of future minimum lease payments	$ 6,941,055	$ 19,651

The lease agreement contains a provision which specifies that if bonds assumed by Washington University are refunded or refinanced and the resulting annual debt service is reduced, CID's base rent will be reduced in the same proportion that the annual debt service is reduced.

14. Concentrations Of Risk

At August 31, 2025, approximately $400,000 or 97%, of pledges receivable is related to pledges from four donors. For the year ended August 31, 2025, approximately $1,494,000 or 45%, of contribution revenue (including special events, United Way funding, and bequests) was attributable to two donors.

At August 31, 2024, approximately $539,000 or 95%, of pledges receivable is related to pledges from three donors. For the year ended August 31, 2024, approximately $1,300,000 or 32%, of contribution revenue (including special events, United Way funding, and bequests) was attributable to one donor.

15. Liquidity And Availability Of Financial Assets

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

	2025	2024
Cash and cash equivalents	$ 230,191	$ 186,933
Accounts receivable, net	120,582	131,525
Employee retention credit receivable	—	1,067,330
Pledges receivable, net	411,291	564,706
Investments	110,902,366	102,780,043
Total financial assets	111,664,430	104,730,537
Less amounts not available to be used within one year:		
Pledges receivable with donor restrictions	287,300	429,098
Investments with donor purpose restrictions	62,656,613	58,177,058
Investments designated by the Board for specific purposes	46,613,686	44,128,214
Spending policy	(3,820,176)	(3,703,890)
Total financial assets not available to be used within one year	105,737,423	99,030,480
Financial assets available to meet cash needs for general expenditures within one year	$ 5,927,007	$ 5,700,057

CID monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investments of its available funds. CID has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities, and a line of credit (Note 8).

For purposes of analyzing resources available to meet general expenditures over a 12-month period, CID considers all expenditures related to program and supporting activities. In addition to financial assets available to meet general expenditures within one year, CID operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. If necessary, the Board would undesignate investments to meet cash flow needs.

16. Involuntary Conversion

During November 2024, CID incurred an involuntary conversion due to a fire on the property. The damaged property and equipment had a net book value of $8,961. Insurance proceeds totaling $151,789 were offset by remediation costs, replacement costs for non-capital items, and the write-off of the damaged property resulting in a gain on involuntary conversion of $77,760. CID also incurred costs of $96,721 to replace capitalizable leasehold improvements. Insurance proceeds covered all but $10,000 of the combined capital and non-capital costs, which represents CID's deductible. The following summarizes the total financial impact of the involuntary conversion

	Gain On Involuntary Conversion	Net Change In Property And Equipment Due To Fire	Total
Insurance proceeds - accrual basis	$ 151,789	$ —	$ 151,789
Less:			
Smoke and water remediation	(53,119)	—	(53,119)
Toys, books, furniture replacements	(11,949)	—	(11,949)
Leasehold improvement replacement costs		(96,721)	(96,721)
Net book value of damaged capital items	(8,961)	8,961	—
Net gain (loss) due to involuntary conversion	$ 77,760	$ (87,760)	$ (10,000)