NURSE-FAMILY PARTNERSHIP
(D.B.A. CHANGENT)

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

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NURSE-FAMILY PARTNERSHIP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Nurse-Family Partnership
(dba Changent)
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nurse-Family Partnership (a nonprofit organization), which comprise the statements of financial position as of September 30, 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 Nurse-Family Partnership as of September 30, 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 Nurse-Family Partnership 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 Nurse-Family Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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 Nurse-Family Partnership'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 Nurse-Family Partnership'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.

CliftonLarsonAllen LLP

Denver, Colorado
April 28, 2026

NURSE-FAMILY PARTNERSHIP
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 37,707,570	$ 40,977,069
Accounts Receivable, Net	2,397,720	1,773,795
Contributions Receivable, Net	212,809	1,866,453
Short-Term Investments	40,608,132	38,838,281
Prepaid Expenses	503,202	413,306
Other Assets	63,575	63,575
Total Current Assets	81,493,008	83,932,479
LONG-TERM ASSETS		
Contributions Receivable	-	247,424
Investments	35,915,482	32,813,388
Property and Equipment, Net	557,925	1,094,870
Total Long-Term Assets	36,473,407	34,155,682
Total Assets	$ 117,966,415	$ 118,088,161
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	$ 2,521,652	$ 2,423,479
Distributions and Grants Payable	950,934	665,337
Deferred Revenue	4,022,406	3,787,263
Total Liabilities	7,494,992	6,876,079
NET ASSETS		
Without Donor Restrictions	100,485,082	98,547,575
With Donor Restrictions	9,986,341	12,664,507
Total Net Assets	110,471,423	111,212,082
Total Liabilities And Net Assets	$ 117,966,415	$ 118,088,161

See accompanying Notes to Financial Statements.

NURSE-FAMILY PARTNERSHIP
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Contributions and Grants	$ 4,235,945	$ 3,170,574	$ 7,406,519
Site Revenues	13,803,057	-	13,803,057
Education Revenues	2,938,552	-	2,938,552
Investment Income	6,131,417	-	6,131,417
Other Income	11,636	-	11,636
Net Assets Released from Restrictions	5,848,740	(5,848,740)	-
Total Revenues and Other Support	32,969,347	(2,678,166)	30,291,181
EXPENSES			
Program Services	21,827,047	-	21,827,047
Supporting Services:			
Management, General, and Administrative	6,383,977	-	6,383,977
Fundraising	2,820,816	-	2,820,816
Total Expenses	31,031,840	-	31,031,840
CHANGE IN NET ASSETS	1,937,507	(2,678,166)	(740,659)
Net Assets - Beginning of Year	98,547,575	12,664,507	111,212,082
NET ASSETS - END OF YEAR	$ 100,485,082	$ 9,986,341	$ 110,471,423

See accompanying Notes to Financial Statements.

NURSE-FAMILY PARTNERSHIP
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Philanthropic Contributions	$ 7,546,826	$ 13,904,013	$ 21,450,839
Site Revenues	14,014,436	-	14,014,436
Education Revenues	3,011,885	-	3,011,885
Investment Income	10,611,641	-	10,611,641
Other Income	16,959	-	16,959
Net Assets Released from Restrictions	5,247,168	(5,247,168)	-
Total Revenues and Other Support	40,448,915	8,656,845	49,105,760
EXPENSES			
Program Services	21,649,816	-	21,649,816
Supporting Services:			
Management, General, and Administrative	6,892,652	-	6,892,652
Fundraising	2,017,638	-	2,017,638
Total Expenses	30,560,106	-	30,560,106
CHANGE IN NET ASSETS	9,888,809	8,656,845	18,545,654
Net Assets - Beginning of Year	88,658,766	4,007,662	92,666,428
NET ASSETS - END OF YEAR	$ 98,547,575	$ 12,664,507	$ 111,212,082

See accompanying Notes to Financial Statements.

NURSE-FAMILY PARTNERSHIP
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2025

	Program Services			Supporting Services		
	Nurse-Family Partnership	Child First	Total	Management, General, and Administrative	Fundraising	Total Expenses
Payroll and Benefits	$ 9,014,495	$ 2,570,294	$ 11,584,789	$ 3,867,931	$ 1,774,127	$ 17,226,847
Consultants	2,977,682	973,815	3,951,497	1,280,412	481,238	5,713,147
Grants and Program Distributions	2,055,629	42,840	2,098,469	71,399	31,416	2,201,284
Technology	771,532	558,738	1,330,270	397,207	213,889	1,941,366
Outsourced Program Support	392,650	-	392,650	-	-	392,650
Advertising, Enrollment Promotion	434,611	10,476	445,087	3,531	44,438	493,056
Depreciation and Amortization	263,103	80,542	343,645	134,236	59,064	536,945
Rent and Occupancy	182,743	54,296	237,039	92,934	40,756	370,729
Travel	419,555	267,388	686,943	146,066	60,322	893,331
Training and Other Events	86,362	225,401	311,763	28,465	18,480	358,708
Professional Services	67,689	20,721	88,410	121,903	15,196	225,509
Dues and Subscriptions	82,221	9,390	91,611	8,121	3,738	103,470
Equipment and Maintenance	87,434	24,040	111,474	39,390	17,986	168,850
Postage and Shipping	26,706	1,958	28,664	8,563	6,908	44,135
Legal	-	-	-	19,216	-	19,216
Printing and Copying	13,585	97	13,682	213	22,522	36,417
Office Supplies and Expenses	7,945	2,527	10,472	3,708	2,231	16,411
Other	46,072	54,510	100,582	160,682	28,505	289,769
Total Expenses by Function	$ 16,930,014	$ 4,897,033	$ 21,827,047	$ 6,383,977	$ 2,820,816	$ 31,031,840

See accompanying Notes to Financial Statements.

NURSE-FAMILY PARTNERSHIP
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2024

	Program Services			Supporting Services		
	Nurse-Family Partnership	Child First	Total	Management, General, and Administrative	Fundraising	Total Expenses
Payroll and Benefits	$ 6,932,870	$ 2,698,482	$ 9,631,352	$ 4,996,753	$ 1,266,077	$ 15,894,182
Consultants	2,848,609	1,317,689	4,166,298	1,033,646	360,386	5,560,330
Grants and Program Distributions	2,960,576	497,733	3,458,309	-	-	3,458,309
Technology	767,282	556,484	1,323,766	258,927	135,335	1,718,028
Outsourced Program Support	587,064	-	587,064	-	-	587,064
Advertising, Enrollment Promotion	585,416	6,811	592,227	6,899	32,626	631,752
Depreciation and Amortization	296,570	140,464	437,034	116,671	49,100	602,805
Rent and Occupancy	275,656	162,784	438,440	111,975	45,638	596,053
Travel	367,910	121,692	489,602	117,024	41,072	647,698
Training and Other Events	78,476	59,344	137,820	58,100	7,209	203,129
Professional Services	64,101	25,218	89,319	90,481	10,613	190,413
Dues and Subscriptions	77,331	13,692	91,023	15,931	3,229	110,183
Equipment and Maintenance	53,675	27,461	81,136	20,433	8,144	109,713
Postage and Shipping	29,348	2,966	32,314	10,977	15,906	59,197
Legal	-	-	-	20,125	-	20,125
Printing and Copying	19,702	706	20,408	889	19,133	40,430
Office Supplies and Expenses	3,678	-	3,678	3,391	469	7,538
Other	22,430	47,596	70,026	30,430	22,701	123,157
Total Expenses by Function	$ 15,970,694	$ 5,679,122	$ 21,649,816	$ 6,892,652	$ 2,017,638	$ 30,560,106

See accompanying Notes to Financial Statements.

NURSE-FAMILY PARTNERSHIP
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (740,659)	$ 18,545,654
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	536,945	602,805
Discount on Pledges Receivable	(2,576)	(9,381)
Net Unrealized and Realized Gain on Investments	(2,691,021)	(6,774,925)
Change in Accrued Interest	(15,767)	(26,920)
Changes in Assets and Liabilities:		
Accounts Receivable	(623,925)	276,042
Contributions Receivable	1,903,644	804,620
Prepaid Expenses	(89,896)	(68,941)
Other Assets	-	(12,701)
Accounts Payable and Accrued Expenses	98,173	(2,797,189)
Distributions and Grants Payable	285,597	(340,012)
Deferred Revenue	235,143	943,470
Net Cash Provided (Used) by Operating Activities	(1,104,342)	11,142,522
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(27,007,231)	(14,374,599)
Proceeds from Sales and Maturities of Investments	24,842,074	12,147,852
Net Cash Used by Investing Activities	(2,165,157)	(2,226,747)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,269,499)	8,915,775
Cash and Cash Equivalents - Beginning of Year	40,977,069	32,061,294
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 37,707,570	$ 40,977,069

See accompanying Notes to Financial Statements.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Nurse-Family Partnership (NFP or the Organization) is a nonprofit, tax-exempt, 501(c)(3) corporation established in 2003. On December 1, 2020, NFP acquired Child First, and is now doing business as the National Service Office for Nurse-Family Partnership and Child First (NSO). The NSO's primary objective is to replicate and grow the Nurse-Family Partnership® (NFP) and Child First℠ programs (the Programs) which are delivered through network partners and affiliate agencies throughout the United States. Network partners and affiliate agencies are independent from the NSO and implement the Programs by contract.

Accordingly, the accompanying financial statements include the accounts of the NSO, and do not include the financial position or results of operations from any network partner, state, or affiliate agencies.

Nurse-Family Partnership Program

The NFP Program is an evidence-based, nurse-home-visitation program that serves mothers and their children affected by social and economic inequalities. These families face barriers to healthcare and wellness resources that can impact health outcomes for themselves and their children. Through regular visits with NFP-trained, registered nurses, the Program is designed to assist mothers during their pregnancies and up to the first two years of their child's life. The Program is designed to uncover parents' innate strengths and skills as parents. Research consistently proves that Nurse-Family Partnership succeeds at its most important goals — keeping children and moms healthy and safe and assisting them in creating the lives they want for themselves.

This Program is based upon intellectual property developed by Dr. David Olds, Director of the Prevention Research Center, University of Colorado. NFP has been granted the perpetual, exclusive and royalty-free right to use the intellectual property by the University of Colorado within the United States. NFP also has the first right of refusal in the event the University of Colorado opts to sell the intellectual property. NFP earns fees for educational, consulting and program support services provided to the network partners and certain states, and receives funding from private foundations, and governmental grants and other public support. There are no fees charged at any time to the enrolled families.

Child First Program

The Child First program (CF) helps to heal and protect vulnerable young children (zero to five years of age) and their families from the devastating effects of trauma and chronic stress by fostering the development of strong, nurturing, caregiver-child relationships, promoting adult capacity and connecting families with needed services. The CF model is an evidenced-based, in-home intervention that uses a two-pronged approach 1) connecting the family to comprehensive, integrated services, which decreases the toxic stress, and 2) providing a parent-child psycho-therapeutic intervention, which together build nurturing relationships, protect the developing brain, and optimize child developmental and health.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Organization (Continued)

Child First Program (Continued)

Regions implementing the CF model are selected for replication and provided intensive training and ongoing clinical consultation. The program began in 2001 out of Bridgeport Hospital in Connecticut, with early replication starting in 2010. As of September 30, 2025, there are fifteen affiliate agency sites providing services throughout Connecticut, two affiliate agency sites providing services in Palm Beach County, Florida, ten affiliate agency sites providing services that cover 29 counties in North Carolina, four affiliate agency sites in Louisiana, one affiliate agency site in Pennsylvania, and five affiliate agency sites in Colorado.

The NSO analyzes all process and outcome data from model implementation and certifies the Child First affiliate agency sites to ensure ongoing model fidelity. Additionally, the NSO works closely with funding partners supporting implementation of the model including the Connecticut Department of Children and Families, Children's Services Council of Palm Beach County, Florida, Trillium Health Services in North Carolina, and Invest in Kids, in Colorado.

Cash and Cash Equivalent Investments

The NSO considers all liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents include demand deposit accounts and money market funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. As of September 30, 2025 and 2024, the NSO had approximately $37,458,000 and $40,760,000, respectively, in excess of FDIC insurance limits. The NSO has not experienced any losses in such accounts. Accounts may exceed federally insured limits; however, these accounts are held by major financial institutions. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments

Investments are reported at fair value based upon quoted market prices. The investments classified as short-term are scheduled to mature within one year or for which it is the intent of management to sell such investments within one year. The investments classified as long-term are scheduled to mature in a period beyond one year or have no scheduled maturity dates and are invested to achieve the Organization's goals for investments with a longer time horizon. The Organization is allowed to transfer funds from long-term investments to short-term investments based on projected cash flows and operational circumstances. Investment income, gains, and losses are reported in the statements of activities as increases or decreases in net assets with or without donor restrictions based on the existence of donor-imposed restrictions. Realized and unrealized gains, losses, and interest income are included in the change in net assets. Donated investments are recorded as contributions at their estimated fair values on the donation dates and are sold upon receipt.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The NSO measures its financial assets and liabilities under accounting guidance that establishes a three-tier fair value hierarchy and prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions. In determining fair value, the NSO utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The determination of where assets and liabilities fall within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement. There have been no changes in the methodologies used at September 30, 2025 and 2024.

The NSO uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of limited partnerships, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

Much of the information used to determine fair values is highly subjective and judgmental in nature; therefore, the results may not be precise. In addition, estimates of cash flows, risk characteristics, credit quality, and interest rates are all subject to change. Since the fair values are estimated as of the statements of financial position dates, the amounts which will actually be realized upon settlement or maturity of the various instruments could be significantly different than the estimates.

Property and Equipment

Property and equipment having a unit cost greater than $5,000 and a useful life of more than one year are capitalized at cost when purchased. Donations of property and equipment are recorded at estimated fair value at the donation date. Depreciation is computed over the estimated useful lives of the assets (four to seven years) using the straight-line method, beginning the first month after the asset is placed in service. Leasehold improvements are depreciated over the shorter of the estimated useful life of the related asset or the lease term.

The NSO's management assesses the carrying value of its long-lived assets for impairment when circumstances warrant such a review. If management determines that impairment has occurred, a loss is recognized, and the carrying values are reduced to their estimated fair values. There were no indicators of asset impairment during the years ended September 30, 2025 and 2024.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions and Grants

Contributions and grants received that benefit the general public are recorded as support with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Amounts are recognized at fair value when the donor makes a promise to give to the NSO that is, in substance, unconditional. Conditional contributions and grants – that is, those with a measurable performance or other barrier and a right of return or release – are recorded when the conditions upon which they depend have been met.

Contributions and grants that are restricted by the donor are recorded as an increase in net assets with donor restrictions depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. All contributions and grants with donor restrictions that are met in the same year as receipt are classified first as restricted, and then as without donor restrictions as the conditions are met and the restrictions are released.

Consequently, as of September 30, 2025 and 2024, conditional contributions approximating $953,000 and $2,374,000, respectively, have not been recognized in the accompanying statements of activities. Of the total conditional contributions, all amounts represent agreements that are conditioned upon the achievement of milestones under the contribution agreements.

The NSO reports contributions of services and goods as revenue without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Donated services are also concurrently recorded as expense. NFP received in-kind contributions of $86,922 and $152,062, for the years ended September 30, 2025 and 2024, respectively, which were comprised of donated marketable securities. The NSO has a policy to sell donated securities as soon as practical after they are received.

When the NSO receives contributions for the benefit of designated beneficiaries, and thus acts more as a conduit, the pass-through contribution is recognized as a liability and not as revenue. Assets held for the benefit of others are recorded as a liability. As of September 30, 2025 and 2024, NFP held no assets in custody for the benefit of others.

Fundraising revenues are recognized either as received, or upon completion of the specified fundraising event when the amount can be reasonably estimated, whichever is more appropriate. The net proceeds related to such events are recorded when the event is complete, and the net proceeds can be reasonably estimated.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Contributions and Grants (Continued)

During the year ended September 30, 2020, the NSO received additional conditional commitments without donor restrictions totaling $70.5 million in support of an organizational growth plan (the plan). As these commitments are contingent upon the Organization's achievement of certain future milestones, no corresponding pledges receivable have been recorded and the Organization will recognize revenue to support the plan upon achievement of certain milestones. During the years ended September 30, 2025 and 2024, the Organization recognized as revenue and received payments totaling $-0- and $3,200,000, respectively, which it considers as support without donor restrictions for the plan and such activity was included in contributions without donor restrictions for the year.

Concentration

The NSO received 28% of 2025 contribution revenue effectively from or directed by one source and 61% of 2024 contribution revenue effectively from or directed by two sources.

Site and Education Revenues

The Organization recognizes revenue at an amount that reflects the consideration to which the Organization expects to be entitled in exchange for transferring goods and services to its customers using the following five step process:

1. Identify the contract(s) with customer
2. Identify the performance obligation(s) in the contract
3. Determine the transaction price
4. Allocate the transaction price to performance obligations in the contract
5. Recognize revenue when (or as) the Organization satisfies a performance obligation

The Organization enters into written contracts with network partners, affiliate agencies, and states authorizing them to provide the Programs as NSO implementing network partners, affiliate agencies, and states. Site revenues primarily consist of revenue earned from network partners, affiliate agencies, and states for consulting and program support services. These services are recognized as revenue when the services are provided or are supported by a contract for which the NSO recognizes revenue ratably over the contract period. Accordingly, site revenues received prior to the end of the fiscal year for services performed in a subsequent fiscal year are deferred. No single network partner, affiliate agency, or state agency represents greater than 10% of total site revenues for the years ended September 30, 2025 or 2024.

Education revenues consist of revenue from training courses provided to nurse home visitors, supervisors, and administrators as it relates to proper implementation of the NSO's programs. Revenue is recognized once the training is provided.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Site and Education Revenues (Continued)

Management regularly reviews accounts receivable to evaluate collectability. Based upon the specific customer's history, current economic conditions, and reasonable and supportable forward-looking information, management records an allowance for credit losses. At September 30, 2025 and 2024, management has recorded an allowance for credit losses of $78,490 and $53,490, respectively.

Accounts receivable are generally considered to be past due, with certain exceptions, when the balance is outstanding for more than 90 days. Accounts receivable are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated benefit each area of the NSO operations and include facilities costs, including depreciation and insurance, project management, and information technology services. Expenses are allocated based on full-time equivalent staff positions.

Advertising, Enrollment Promotion

Advertising costs are expensed as incurred. The NSO uses advertising primarily to promote its programs to the individuals that it serves, as well as to provide awareness to the public of its services. Advertising and marketing expense was $493,056 and $631,752 for the years ended September 30, 2025 and 2024, respectively.

Distributions and Grants Payable

Starting with the year ended September 30, 2018, the NSO has frequently entered into grant agreements with network partners to expand the NFP program. The payments under the agreement are contingent on the achievement of certain milestones. Any payments authorized but not yet paid at year-end are reported as liabilities. Grants scheduled for payment more than one year in the future have not been discounted to net present value because the discount is not significant.

Taxes

The NSO is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC); accordingly, no provision for income taxes is included in the accompanying financial statements. The NSO received final determination as a public charity under Section 501(c)(3) of the IRC in December 2007. The NSO assesses the likelihood of the financial statement effect of a tax position that should be recognized when it is more likely than not that the position will be sustained upon examination by a taxing authority based on the technical merits of the tax position, circumstances, and information available as of the reporting date. Management does not believe that there are any tax positions that would result in an asset or liability for taxes being recognized in the financial statements.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxes (Continued)

The NSO's policy is to recognize interest and penalties accrued on any unrecognized tax positions as a component of income tax expense. As of September 30, 2025 and 2024, the NSO did not have any accrued interest or penalties associated with any unrecognized tax positions, nor was any interest expense or penalties recognized during the years ended September 30, 2025 and 2024.

Use of Estimates

The preparation of the NSO's financial statements in conformity with accounting principles generally accepted in the United States of America requires the NSO's management to make certain estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

Management evaluated subsequent events through April 28, 2026, the date that these financial statements were available to be issued.

NOTE 2 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, are included below. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statements of financial position date.

	2025	2024
Cash and Cash Equivalents	$ 37,707,570	$ 40,977,069
Accounts Receivable, Net	2,397,720	1,773,795
Contributions Receivable, Net	212,809	1,866,453
Investments	76,523,614	71,651,669
Total	116,841,713	116,268,986
Less: Net Assets With Donor Restrictions	(9,986,341)	(12,664,507)
Total	$ 106,855,372	$ 103,604,479

As part of the liquidity management plan, cash in excess of daily requirements is put into an overnight sweep account or other short-term investments.

NOTE 3 CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following at September 30:

	2025	2024
Type of Donor:		
Individuals	$ -	$ 1,350,000
Public Support	12,809	96,453
Foundations and Organizations	200,000	670,000
Subtotal	212,809	2,116,453
Less: Discount on Pledges Receivable	-	(2,576)
Total	$ 212,809	$ 2,113,877

Amounts scheduled to be received within the next 12 months were recorded at their net realizable value. At September 30, 2025, amounts are scheduled to be collected as follows:

Year Ending September 30,	
2026	$ 212,809
2027	-
Total	$ 212,809

NOTE 4 INVESTMENTS

Investments are classified as short-term or long-term based management's intent to hold the assets for short-term or long-term needs. Securities held at September 30, 2025 and 2024 consist of publicly traded government, money market, exchange-traded funds, and corporate debt instruments with total value by instrument type indicated as follows:

	2025	2024
Money Markets	$ 20,383,817	$ 20,291,487
U.S. Government Obligations	8,602,773	7,043,068
Corporate Obligations	6,958,276	6,878,199
Foreign Obligations	1,321,091	1,605,070
Municipal Obligations	3,159,350	2,834,731
Equity - Domestic	10,907,146	10,242,330
Equity - International	302,776	311,699
Mutual Funds - Equity	14,603,496	13,216,015
Mutual Funds - Fixed Income	8,370,929	7,470,646
Limited Partnerships	1,680,410	1,540,641
Interest Receivable	233,550	217,783
Total Investments	$ 76,523,614	$ 71,651,669

NOTE 4 INVESTMENTS (CONTINUED)

The following schedule summarizes the investment income in the statements of activities for the years ended September 30:

	2025	2024
Interest Income	$ 3,592,340	$ 3,988,623
Net Realized and Unrealized Gains	2,691,021	6,774,925
Investment Expense	(151,944)	(151,907)
Total Investment Income	$ 6,131,417	$ 10,611,641

Net realized and unrealized gains are primarily due to fluctuations in market return.

NOTE 5 FAIR VALUE MEASUREMENTS

The following table presents assets measured at fair value on a recurring basis, except those measured using NAV per share as a practical expedient as identified in the following, at September 30:

	Level 1	Level 2	Level 3	Total
September 30, 2025				
Corporate Obligations	$ -	$ 6,958,276	$ -	$ 6,958,276
Foreign Obligations	-	1,321,091	-	1,321,091
Municipal Obligations	-	3,159,350	-	3,159,350
Money Markets	20,383,817	-	-	20,383,817
U.S. Government Obligations	8,602,773	-	-	8,602,773
Equity - Domestic	10,907,146	-	-	10,907,146
Equity - International	302,776	-	-	302,776
Mutual Funds - Equity	14,603,496	-	-	14,603,496
Mutual Funds - Fixed Income	8,370,929	-	-	8,370,929
Total	$ 63,170,937	$ 11,438,717	$ -	$ 74,609,654
Investments Measured at NAV				1,680,410
Interest Receivable at Cost				233,550
Total Investments				$ 76,523,614

	Level 1	Level 2	Level 3	Total
September 30, 2024				
Corporate Obligations	$ -	$ 6,878,199	$ -	$ 6,878,199
Foreign Obligations	-	1,605,070	-	1,605,070
Municipal Obligations	-	2,834,731	-	2,834,731
Money Markets	20,291,487	-	-	20,291,487
U.S. Government Obligations	7,043,068	-	-	7,043,068
Equity - Domestic	10,242,330	-	-	10,242,330
Equity - International	311,699	-	-	311,699
Mutual Funds - Equity	13,216,015	-	-	13,216,015
Mutual Funds - Fixed Income	7,470,646	-	-	7,470,646
Total	$ 58,575,245	$ 11,318,000	$ -	$ 69,893,245
Investments Measured at NAV				1,540,641
Interest Receivable at Cost				217,783
Total Investments				$ 71,651,669

NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)

Investments in certain entities that are measured at fair value using NAV per share as a practical expedient are as follows at September 30:

September 30, 2025	Number of Investments	Fair value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnerships	1	$ 1,680,410	$ -	Monthly	30 days

September 30, 2024	Number of Investments	Fair value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Partnerships	1	$ 1,540,641	$ -	Monthly	30 days

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	2025	2024
Software and Computers	$ 7,276,591	$ 7,276,591
Leasehold Improvements	117,050	117,050
Furniture and Fixtures	321,541	321,541
Subtotal	7,715,182	7,715,182
Less: Accumulated Depreciation	(7,157,257)	(6,620,312)
Property and Equipment, Net	$ 557,925	$ 1,094,870

Depreciation and amortization expense totaled $536,945 and $602,805 for the years ended September 30, 2025 and 2024, respectively.

NOTE 7 DISTRIBUTIONS AND GRANTS PAYABLE

Grants which have been approved and are payable within the next fiscal year were $950,934 and $665,337 at September 30, 2025 and 2024, respectively.

The Organization also has contingent grants which are not to be paid unless and until certain milestones at future dates are met. These contingent grants, which are to be paid from both net assets with donor restrictions and net assets without donor restrictions, are therefore not recorded as liabilities. Contingent grants to be paid in future periods were $4,503,979 and $2,441,746 as of September 30, 2025 and 2024, respectively.

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are the total restricted assets offset by related payables and commitments. Net assets with donor restrictions at September 30 are available for the following purposes or periods:

	2025	2024
Subject to Expenditure for Specified Purpose or Period:		
For Receipt in Subsequent Periods	$ 209,968	$ 1,943,877
Program Implementation	9,776,373	10,720,630
Total Net Assets With Donor Restrictions	$ 9,986,341	$ 12,664,507

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended September 30:

	2025	2024
Expiration of Time Restrictions	$ 1,202,576	$ 1,240,499
Satisfaction of Purpose Restrictions:		
Program Implementation	4,646,164	4,006,669
Total Net Assets Released from Donor Restrictions	$ 5,848,740	$ 5,247,168

NOTE 9 RELATED PARTY TRANSACTIONS

The NSO recorded site revenues of $-0- and $68,819 from Parkland Health and Hospital System, a network partner in Texas, for program services provided in 2025 and 2024, respectively. The President and Chief Executive Officer of Parkland Health and Hospital System was a NSO board member.

In 2025 and 2024, the NSO incurred expenses totaling $392,650 and $587,064, respectively, from the University of Colorado, Prevention Research Center (PRC), for research, program innovations, and Dyadic Assessment of Naturalistic Caregiver-Child Experiences (DANCE) education and licenses. As of September 30, 2025 and 2024, the NSO owed $544,256 and $252,090, respectively, to PRC, which is included in accounts payable and accrued expenses on the accompanying statements of financial position. Dr. David Olds is the Program founder and the Director of the PRC.

NOTE 10 RETIREMENT PLAN

The NSO sponsors a 401(k) plan through its Professional Employer Organization relationship with Automatic Data Processing, Inc., covering all employees who have completed three months of service and have attained age 21. The NSO contributes 10% of the employees' compensation, which vests immediately. For the years ended September 30, 2025 and 2024, total 401(k) contributions were $1,267,944 and $1,184,254, respectively.

NOTE 11 RISKS AND UNCERTAINTIES

State Grants

The NSO participates in certain state and federal grant programs. The use of grant funds in the Programs is subject to future review by the grantors. Such reviews may result in the NSO having liabilities to the grantors.

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