

**THE ENDOWMENT FUND OF THE
PHI KAPPA PSI FRATERNITY
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

DECEMBER 31, 2024 AND 2023

CPAs / ADVISORS



THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

TABLE OF CONTENTS
DECEMBER 31, 2024 AND 2023

	Page
Report of Independent Auditors	1
 Financial Statements	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5
Consolidated Statements of Functional Expenses.....	7
Consolidated Statements of Cash Flows	9
Notes to Consolidated Financial Statements	10
 Supplementary Information	
Schedule of Net Assets with Donor Restrictions and Board Designations	28



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REPORT OF INDEPENDENT AUDITORS

Board of Trustees
The Endowment Fund of the Phi Kappa Psi Fraternity
Indianapolis, Indiana

Opinion

We have audited the accompanying consolidated financial statements of The Endowment Fund of the Phi Kappa Psi Fraternity (d/b/a/Phi Kappa Psi Foundation; Phi Psi Foundation) and Subsidiaries (collectively, the Foundation), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023 and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024 and 2023, 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

REPORT OF INDEPENDENT AUDITORS (CONTINUED)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 28 through 37 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare

REPORT OF INDEPENDENT AUDITORS (CONTINUED)

the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Blue & Co., LLC

Carmel, Indiana
August 1, 2025

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2024 AND 2023

ASSETS		
	2024	2023
Cash	\$ 1,024,753	\$ 1,258,317
Contributions receivable, net	485,056	710,765
Related party receivable	14,965	26,662
Notes receivable	2,344,563	2,513,683
Other receivables	293,808	257,755
Investments	76,019,309	70,628,593
Cash surrender value of life insurance	121,098	138,702
Property and equipment, net	2,223,958	1,235,654
Beneficial interest in perpetual trusts	246,924	348,928
Prepaid expenses and other assets	82,157	97,023
	<u>\$ 82,856,591</u>	<u>\$ 77,216,082</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable, other payables and accrued expenses	\$ 272,103	\$ 269,114
Deferred revenue	568,075	505,725
Customer deposits	73,820	66,120
Total liabilities	913,998	840,959
Net assets		
Without donor restrictions		
Undesignated	2,636,172	1,675,227
Board designated - endowment	23,832,395	22,697,018
Board designated - capital improvement fund	50	1,000,000
Board designated - Finance Engine	16,031,976	14,399,210
	42,500,593	39,771,455
With donor restrictions		
Time and purpose	38,235,637	35,291,835
Perpetual	1,206,363	1,311,833
	39,442,000	36,603,668
Total net assets	81,942,593	76,375,123
	<u>\$ 82,856,591</u>	<u>\$ 77,216,082</u>

See accompanying notes to consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

(With Comparative Total for the Year Ended December 31, 2023)

	2024				2023
	Without Donor Restrictions	With Donor Restrictions		Total	Total
		Time and Purpose	Perpetual		
Support and revenues					
Member support and other contributions	\$ 740,545	\$ 1,195,623	\$ -0-	\$ 1,936,168	\$ 2,659,603
Proceeds from maturity of life insurance policies	-0-	-0-	-0-	-0-	56,000,000
Investment return, net	3,561,473	3,518,352	37,057	7,116,882	4,652,963
Change in beneficial interest in perpetual trusts	-0-	-0-	(102,004)	(102,004)	(68,511)
Change in value of gift annuity	1,798	-0-	-0-	1,798	2,326
Interest income on notes receivable	20,208	80,239	32,954	133,401	133,713
Rental income	113,227	-0-	-0-	113,227	164,929
Increase (decrease) in cash value of life insurance	(17,604)	-0-	-0-	(17,604)	1,826
Events revenue	599,490	-0-	-0-	599,490	482,745
(Loss) gain on sale of property and equipment	(2,456)	-0-	-0-	(2,456)	166,129
Net assets released from restrictions	<u>1,923,889</u>	<u>(1,850,412)</u>	<u>(73,477)</u>	<u>-0-</u>	<u>-0-</u>
Total support and revenues	6,940,570	2,943,802	(105,470)	9,778,902	64,195,723
Expenses					
Programs	2,086,114	-0-	-0-	2,086,114	2,289,251
Management and general	1,078,948	-0-	-0-	1,078,948	2,074,629
Fundraising	<u>1,046,370</u>	<u>-0-</u>	<u>-0-</u>	<u>1,046,370</u>	<u>850,924</u>
Total expenses	<u>4,211,432</u>	<u>-0-</u>	<u>-0-</u>	<u>4,211,432</u>	<u>5,214,804</u>
Change in net assets	2,729,138	2,943,802	(105,470)	5,567,470	58,980,919
Net assets, beginning of year	<u>39,771,455</u>	<u>35,291,835</u>	<u>1,311,833</u>	<u>76,375,123</u>	<u>17,394,204</u>
Net assets, end of year	<u>\$ 42,500,593</u>	<u>\$ 38,235,637</u>	<u>\$ 1,206,363</u>	<u>\$ 81,942,593</u>	<u>\$ 76,375,123</u>

See accompanying notes to consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions		
		Time and Purpose	Perpetual	Total
Support and revenues				
Member support and other contributions	\$ 1,200,575	\$ 1,459,028	\$ -0-	\$ 2,659,603
Proceeds from maturity of life insurance policies	46,000,000	10,000,000	-0-	56,000,000
Investment return, net	1,433,909	3,169,477	49,577	4,652,963
Change in beneficial interest in perpetual trusts	-0-	-0-	(68,511)	(68,511)
Change in value of gift annuity	2,326	-0-	-0-	2,326
Interest income on notes receivable	8,599	87,380	37,734	133,713
Rental income	164,929	-0-	-0-	164,929
Increase (decrease) in cash value of life insurance	1,826	-0-	-0-	1,826
Events revenue	482,745	-0-	-0-	482,745
Gain on sale of property and equipment	166,129	-0-	-0-	166,129
Net assets released from restrictions	<u>2,659,710</u>	<u>(2,625,332)</u>	<u>(34,378)</u>	<u>-0-</u>
Total support and revenues	52,120,748	12,090,553	(15,578)	64,195,723
Expenses				
Programs	2,289,251	-0-	-0-	2,289,251
Management and general	2,074,629	-0-	-0-	2,074,629
Fundraising	<u>850,924</u>	<u>-0-</u>	<u>-0-</u>	<u>850,924</u>
Total expenses	<u>5,214,804</u>	<u>-0-</u>	<u>-0-</u>	<u>5,214,804</u>
Change in net assets	46,905,944	12,090,553	(15,578)	58,980,919
Net assets, beginning of year	<u>(7,134,489)</u>	<u>23,201,282</u>	<u>1,327,411</u>	<u>17,394,204</u>
Net assets, end of year	<u>\$ 39,771,455</u>	<u>\$ 35,291,835</u>	<u>\$ 1,311,833</u>	<u>\$ 76,375,123</u>

See accompanying notes to consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

(With Comparative Total for the Year Ended December 31, 2023)

	2024				2023
		Management			
	Programs	and General	Fundraising	Total	Total
Grants, fellowships, and scholarships	\$ 494,141	\$ -0-	\$ -0-	\$ 494,141	\$ 369,428
Educational area grants	169,763	-0-	-0-	169,763	488,194
Salaries, wages, taxes, and benefits	716,238	496,624	552,801	1,765,663	1,473,142
Travel, lodging, meals and entertainment	126,795	65,089	140,454	332,338	190,044
Conferences and professional development	2,646	8,109	9,717	20,472	13,873
Professional services (accounting, legal, consulting)	125,346	122,968	31,806	280,120	203,961
Supplies	9,491	15,609	3,652	28,752	12,415
Dues, licenses and subscriptions	9,175	15,147	50,522	74,844	62,271
Postage and delivery	5,131	6,895	23,535	35,561	32,432
Advertising, creative, printing, and reproduction	16,527	23,012	168,844	208,383	127,154
Depreciation	91,807	60,859	23,919	176,585	156,898
Mortgage interest, banking and financial fees	208	16,097	294	16,599	658,659
Property and liability insurance	-0-	38,411	-0-	38,411	61,756
Utilities	24,697	16,148	6,649	47,494	53,117
Maintenance and repairs	50,797	33,213	13,676	97,686	116,737
Facility services	67,966	44,440	18,299	130,705	112,577
Equipment rental	2,551	7,008	2,757	12,316	14,103
Vehicle insurance, maintenance and repairs	418	-0-	905	1,323	952
Bad debt expense (recovery)	-0-	-0-	(1,460)	(1,460)	89,325
Taxes on investment income/loss	-0-	-0-	-0-	-0-	67,043
Chapter development services expenses	63,099	-0-	-0-	63,099	76,723
Total expenses before gifted policy insurance premiums	1,976,796	969,629	1,046,370	3,992,795	4,380,804
Gifted policy insurance premiums	109,318	109,319	-0-	218,637	834,000
Total expenses	<u>\$ 2,086,114</u>	<u>\$ 1,078,948</u>	<u>\$ 1,046,370</u>	<u>\$ 4,211,432</u>	<u>\$ 5,214,804</u>

See accompanying notes to consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2023

	Programs	Management and General	Fundraising	Total
Grants, fellowships, and scholarships	\$ 369,428	\$ -0-	\$ -0-	\$ 369,428
Educational area grants	488,194	-0-	-0-	488,194
Salaries, wages, taxes, and benefits	616,012	422,199	434,931	1,473,142
Travel, lodging, meals and entertainment	70,020	54,112	65,912	190,044
Conferences and professional development	1,691	2,822	9,360	13,873
Professional services (accounting, legal, consulting)	77,243	99,182	27,536	203,961
Supplies	3,146	5,215	4,054	12,415
Dues, licenses and subscriptions	3,808	13,561	44,902	62,271
Postage and delivery	2,022	7,306	23,104	32,432
Advertising, creative, printing, and reproduction	6,146	14,746	106,262	127,154
Depreciation	81,572	54,074	21,252	156,898
Mortgage interest, banking and financial fees	18,784	639,875	-0-	658,659
Property and liability insurance	28,747	33,009	-0-	61,756
Utilities	27,621	18,060	7,436	53,117
Maintenance and repairs	60,703	39,691	16,343	116,737
Facility services	58,540	38,276	15,761	112,577
Equipment rental	2,394	6,662	5,047	14,103
Vehicle insurance, maintenance and repairs	237	16	699	952
Credit loss expense	21,000	-0-	68,325	89,325
Taxes on investment income/loss	-0-	67,043	-0-	67,043
Chapter development services expenses	76,723	-0-	-0-	76,723
Total expenses before gifted policy insurance premiums	2,014,031	1,515,849	850,924	4,380,804
Gifted policy insurance premiums	275,220	558,780	-0-	834,000
Total expenses	<u>\$ 2,289,251</u>	<u>\$ 2,074,629</u>	<u>\$ 850,924</u>	<u>\$ 5,214,804</u>

See accompanying notes to consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Operating activities		
Change in net assets	\$ 5,567,470	\$ 58,980,919
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Realized and unrealized gains on investments, net	(3,710,572)	(2,593,006)
Bad debt expense (recovery)	(1,460)	89,325
Depreciation	176,585	156,898
(Gain) loss on sale of property and equipment	2,456	(166,129)
Change in cash surrender value of life insurance	17,604	(1,826)
Change in beneficial interest in perpetual trusts	102,004	68,511
Investment in life insurance premiums	218,637	834,000
Changes in assets and liabilities:		
Contributions receivable	227,169	132,445
Related party receivable	11,697	(14,148)
Other receivables	(36,053)	(31,702)
Prepaid expenses and other assets	14,866	43,530
Accounts payable, other payables and accrued expenses	2,989	(56,405)
Deferred revenue	62,350	82,775
Customer deposits	7,700	650
Net cash flows from operating activities	2,663,442	57,525,837
Investing activities		
Purchase of investments	(7,794,933)	(48,735,684)
Proceeds from sales and maturities of investments	6,114,789	1,244,488
Life insurance premiums paid on investment contracts	(218,637)	(834,000)
Purchase of property and equipment	(1,167,345)	(102,563)
Proceeds from property held for sale	-0-	229,806
Payments received on notes receivable	169,120	143,181
Advance on notes receivable	-0-	(168,000)
Net cash flows from investing activities	(2,897,006)	(48,222,772)
Financing activities		
Net repayments under line of credit	-0-	(9,100,000)
Payments on mortgage	-0-	(15,168)
Net cash flows from financing activities	-0-	(9,115,168)
Net change in cash	(233,564)	187,897
Cash, beginning of year	1,258,317	1,070,420
Cash, end of year	\$ 1,024,753	\$ 1,258,317
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ -0-	\$ 635,682
Cash paid for income taxes, net	\$ -0-	\$ 36,540
Repayment of mortgage payable from building sale proceeds	\$ -0-	\$ 280,194

See accompanying notes to consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

1. NATURE OF ACTIVITIES AND PRINCIPLES OF CONSOLIDATION

The Endowment Fund of the Phi Kappa Psi Fraternity (d/b/a Phi Kappa Psi Foundation; Phi Psi Foundation) (individually and collectively referred to as the Foundation) is a not-for-profit organization whose mission and principal activities are to foster the development of leaders and to promote academic excellence in higher education by providing students with scholarships and awards and by supporting educational projects and programs for their benefit. The Foundation's support and revenues are derived principally from contributions and investment returns.

These consolidated financial statements include the accounts of the Foundation and its subsidiaries, PKP McMahan Finance Engine, LLC and Nelson Leadership Institute, LLC.

PKP McMahan Finance Engine, LLC (the Finance Engine) is a single member LLC owned by the Foundation. The Finance Engine was formed to receive and maintain gifts of life insurance.

Nelson Leadership Institute, LLC (the Institute) is a single member LLC owned by the Foundation. The Institute was formed to provide dynamic leadership training and education to empower, develop and affirm undergraduate members of the Fraternity in their quest to become ethical, mission-driven leaders of influence and high moral character.

Property Preservation, LLC is a single member LLC owned by the Foundation. Hammer Street Properties, LLC is a single member LLC owned by Property Preservation, LLC. This limited liability company owned a property occupied by a house corporation of the Phi Kappa Psi Fraternity, Inc. (the Fraternity) and was held as an investment. As of December 31, 2023, this property had been sold. There were no activities in either of these entities for the year ended December 31, 2024. During 2024, Property Preservation, LLC and Hammer Street Properties, LLC were dissolved.

All intercompany transactions have been eliminated in consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements report net assets and changes in net assets based upon the existence or absence of restrictions on use that are placed by the Foundation's donors, as follows:

Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into the course of its operations.

Net assets with donor restrictions – Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Included in this classification are endowment funds, which are subject to the restrictions of gift

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

instruments requiring that the principal be maintained in perpetuity and invested for the purpose of producing present and future income, with investment return available for operations or specific purposes.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the consolidated statements of activities by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or the contribution of those assets directly) are reported as net assets with donor restrictions until the funds have been expended on the specified asset and the asset has been placed in service unless the donor provides more specific directions about the period of its use.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions Receivable

Contributions receivable consist of amounts that have been unconditionally promised to the Foundation. Contributions receivable are initially recorded at fair value based on estimated future cash flows of the unconditional pledges and are reported net of an allowance for uncollectible amounts and net of the discount to present value.

Contributions receivable were discounted to present value using the United States Treasury Bill rates with maturities commensurate to the time period of expected collection of the contributions. During the years ended December 31, 2024 and 2023, rates used ranged from 4.01% to 4.27%. Amortization of the resulting discount is recognized as additional contribution income.

Management estimates an allowance for uncollectible contributions receivable based on an evaluation of current economic conditions, historical trends, and current and past experience with their donor base.

Notes Receivable

Notes receivable represent outstanding mortgages receivable from various house corporations. These notes can be borrowed from the Foundation's undesignated fund or from restricted chapter funds in accordance with signed fund agreement terms, as applicable. Notes receivable are reported at their carrying value. No allowance for credit losses has been recorded against these loans based on their collateralization and prior collection history. Interest income related to notes receivable is recorded as an increase in net assets without donor restrictions unless funds were

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

borrowed from donor restricted funds, in which case income is recorded as an increase in net assets with donor restrictions.

Investments and Investment Return

Investments are reported at fair value for financial reporting purposes. Investment return includes interest, dividends, and realized and unrealized gains and losses. Changes in unrealized appreciation or depreciation of investments are recorded in the period such changes occur. Realized gains and losses are recorded based on the cost of the specific securities sold. Interest and dividend income is recorded when earned.

Investment return is recorded as increases and decreases in net assets without donor restrictions unless its use is restricted by donors to a specified purpose or future period. Investment return is allocated to funds (endowment and non-endowment) based upon the percentage relationship of each fund's monthly investment balance to the aggregate investment balances for all funds.

Cash Surrender Value of Life Insurance

Donated life insurance policies that are owned by the Foundation have been presented at their realizable value, net of surrender charges.

Property and Equipment (and Property Held as an Investment)

The Foundation capitalizes at cost all significant purchases of property and equipment, including expenditures that substantially increase the useful lives of existing assets. Costs of ordinary maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives, which range from 3 to 25 years.

As noted in Note 1, the Foundation owned a single member LLC, Property Preservation, LLC, that was previously included in the consolidated financial statements. This LLC owned a property held as an investment, which was being depreciated using the straight-line method over 25 years and had a mortgage outstanding. During the year ended December 31, 2023, the property was sold to a local Phi Kappa Psi Fraternity chapter. Proceeds of \$510,000 were received from the sale and certain proceeds were used to repay the respective mortgage.

Accounting for Member Support and Other Contributions and Revenue Recognition

Contributions (member support), which include contributions receivable, are recognized as support in the period when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Contributed investments are recorded at the fair value of each investment on the date it is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as net assets with donor restrictions until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

Events revenue related to Laurel Hall rentals is deferred (contract liabilities) and included in deferred revenue until the period in which the event is conducted. These contract liabilities had a balance at December 31, 2024 and 2023 and January 1, 2023 of \$568,075, \$505,725 and \$422,950, respectively.

Customer deposits represent damage deposits related to Laurel Hall event revenue and are expected to be returned at the completion of an event.

Functional Allocation of Expenses

The costs of providing the programs and services of the Foundation have been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses. Certain costs have been allocated among the programs and supporting services categories based on actual direct expenditures and cost allocations based upon estimates of time spent by Foundation personnel. Expenses allocated include salaries, wages, taxes, and benefits, depreciation and facility services, travel, lodging, meals and entertainment, and other overhead expenses. Although the method used was appropriate, other methods could produce different results.

Income Taxes

The Foundation is organized as a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code and similar state law. The single member LLCs are exempt as programs under the Foundation's not-for-profit exemption and are included in the income tax filings of the Foundation. The exemption is on all income except unrelated business income. An unrelated trade or business of an exempt organization is any trade or business which is not substantially related to the exercise or performance of its exempt purpose. Certain investment income was considered unrelated business income for the year ended December 31, 2023. There was no unrelated business income for the year ended December 31, 2024.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying consolidated financial statements. The Foundation is subject to

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

The Foundation has filed its federal and state income tax returns for periods through December 31, 2023. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Reclassifications

Certain amounts in the 2023 financial statements have been reclassified to conform to the current year presentation. These reclassifications had no effect on the total net assets or change in net assets for 2023.

Subsequent Events

The Foundation evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that affect the consolidated financial statements. Subsequent events have been evaluated through August 1, 2025, which is the date the consolidated financial statements were available to be issued.

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following at December 31:

	2024	2023
Time and purpose	\$ 590,714	\$ 852,061
Less unamortized discount	(46,587)	(60,140)
Less allowance for uncollectible contributions	(59,071)	(85,656)
Contributions receivable, net	<u>\$ 485,056</u>	<u>\$ 706,265</u>
Amounts due in:		
Due within one year	\$ 364,340	\$ 486,490
Due in one to five years	168,552	307,147
Due in more than five years	57,822	62,924
	<u>\$ 590,714</u>	<u>\$ 856,561</u>

4. NOTES RECEIVABLE

Notes receivable have an outstanding balance of \$2,344,563 and \$2,513,683 at December 31, 2024 and 2023, respectively. The notes accrue interest at rates ranging from 4.50% to 7.50% and have terms ranging from 20 to 33 years.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

5. INVESTMENTS

Investments consist of the following at December 31:

	2024	2023
Money market mutual funds	\$ 1,466,244	\$ 35,280,827
U.S. Treasury obligations	6,396,790	1,576,720
Mutual funds	66,356,784	32,046,447
Cash	272,856	260,299
Certificates of deposit	1,526,635	1,464,300
	<u>\$ 76,019,309</u>	<u>\$ 70,628,593</u>

The Foundation received life insurance proceeds of \$33,000,000 in December 2023. At December 31, 2023, these funds were temporarily held in money market mutual funds; the investment portfolio was rebalanced in January 2024 in accordance with the approved investment policy.

The following schedule summarizes investment return for the years ended December 31:

	2024	2023
Interest and dividends (includes bank and other interest)	\$ 3,502,510	\$ 2,100,601
Realized gains (losses) on sale of investments, net	162,508	(43,508)
Unrealized gains on investments, net	3,548,064	2,636,514
Investment fees	(96,200)	(40,644)
	<u>\$ 7,116,882</u>	<u>\$ 4,652,963</u>

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2024	2023
Land, buildings and improvements	\$ 4,496,010	\$ 3,342,591
Furnishings and equipment	444,506	443,290
Antiques and works of art	113,951	113,951
	5,054,467	3,899,832
Accumulated depreciation	(2,830,509)	(2,664,178)
	<u>\$ 2,223,958</u>	<u>\$ 1,235,654</u>

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Significant improvements were made to the exterior of Laurel Hall in 2024, primarily with funds designated by the Foundation's board for that purpose.

7. BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The Foundation is the irrevocable beneficiary of a portion of the income earned on the assets held by two perpetual trusts. The estimated present value of future cash flows of one trust is \$231,000 and \$333,000 at December 31, 2024 and 2023, respectively. The other trust is valued at the fair market value of the underlying assets as reported by the trustee, which is \$15,924 and \$15,928 at December 31, 2024 and 2023, respectively.

8. LINE OF CREDIT

The Finance Engine had a line of credit facility with a bank through 2023 with maximum available borrowings of \$12,000,000. Under the terms of the agreement, the line of credit was secured by an investment account held by the Foundation and required interest only payments through the maturity date of July 2024. The outstanding balance was repaid in full and this line of credit facility was closed during 2023.

9. NET ASSETS

Net Assets Without Donor Restrictions - Board Designated

Board designated net assets are net assets without donor restrictions subject to self-imposed limits determined by action of the Board of Trustees (the Board). The designations are as follows at December 31:

	<u>2024</u>	<u>2023</u>
Endowment	\$ 23,832,395	\$ 22,697,018
Capital improvements fund	50	1,000,000
Finance Engine	<u>16,031,976</u>	<u>14,399,210</u>
	<u>\$ 39,864,421</u>	<u>\$ 38,096,228</u>

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods at December 31:

	<u>2024</u>	<u>2023</u>
Time restricted		
Contributions receivable	\$ 51,568	\$ 75,455
Purpose restricted		
Chapter specific funds, donor named funds and other educational and housing funds	37,738,108	34,781,276
Ruth Lilly Fund (Laurel Hall Operating Fund)	<u>445,962</u>	<u>435,104</u>
	<u>38,184,070</u>	<u>35,216,380</u>
Total time and purpose restricted	38,235,638	35,291,835
Perpetual		
Beneficial interest in perpetual trusts	246,924	348,928
Endowment		
Scholarships and grants	<u>959,438</u>	<u>962,905</u>
Total perpetual	<u>1,206,362</u>	<u>1,311,833</u>
	<u>\$ 39,442,000</u>	<u>\$ 36,603,668</u>

Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by appropriation by the Board related to the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Scholarships, grants and program expenses	\$ 1,387,512	\$ 2,228,862
Administrative fees	<u>536,377</u>	<u>430,848</u>
	<u>\$ 1,923,889</u>	<u>\$ 2,659,710</u>

10. ENDOWMENT

The Foundation's endowment consists of net assets without donor restrictions that have been designated by the Board to function as an endowment for various purposes, as well as donor-restricted funds, including two that have been further designated by the Board to function as endowments for various purposes. The donor-restricted endowment funds have been established to support scholarships and grants. As required by accounting principles generally accepted in

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Foundation is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board appropriates such amounts for expenditure. Those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board has interpreted SPMIFA as not requiring the preservation of purchasing power of the original gift amount contributed to an endowment fund unless a donor stipulates the contrary. As a result of the interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The Foundation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measure required under the law. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Foundation 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 Foundation
- 7) The investment policies of the Foundation

Underwater Endowment Funds

From time to time, due to unfavorable market conditions, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies at December 31, 2024 and 2023.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for assets held for endowment 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. Under this policy, as approved by the Board, the endowment investments are invested in a manner that is intended to produce a total return which protects the purchasing power of the endowment investments and which allows spending under the terms of each endowment fund.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation 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). The Foundation, as it relates to its endowment investments, targets a diversified asset allocation that places emphasis on equity and 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

The Foundation has a policy for its endowment funds of appropriating for distribution each year 4.5% of the endowment fund's rolling five-year quarterly market value average for scholarships, grants and other allowable expenses, with the exception of endowed funds governed by specific gift agreements. In establishing this policy, the Foundation considered the long-term expected return on its assets held for endowment. The Foundation's objective is to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

The composition of endowment net assets is as follows at December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 23,832,395	\$ -0-	\$ 23,832,395
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-0-	608,880	608,880
Accumulated investment gains	-0-	350,558	350,558
Donor-restricted funds designated by the Board to function as endowments	-0-	7,608,039	7,608,039
	<u>\$ 23,832,395</u>	<u>\$ 8,567,477</u>	<u>\$ 32,399,872</u>

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 22,697,018	\$ -0-	\$ 22,697,018
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-0-	641,479	641,479
Accumulated investment gains	-0-	321,426	321,426
Donor-restricted funds designated by the Board to function as endowments	-0-	7,002,897	7,002,897
	<u>\$ 22,697,018</u>	<u>\$ 7,965,802</u>	<u>\$ 30,662,820</u>

The change in endowment net assets is as follows for the years ended December 31:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 22,697,018	\$ 7,965,802	\$ 30,662,820
Contributions	500	-0-	500
Investment return, net	2,108,415	910,116	3,018,531
Distributions and transfers	(973,538)	(308,441)	(1,281,979)
Endowment net assets, end of year	<u>\$ 23,832,395</u>	<u>\$ 8,567,477</u>	<u>\$ 32,399,872</u>

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -0-	\$ 909,973	\$ 909,973
Contributions	21,871,111	7,000,000	28,871,111
Investment return, net	819,362	89,380	908,742
Distributions	6,545	(33,551)	(27,006)
Endowment net assets, end of year	<u>\$ 22,697,018</u>	<u>\$ 7,965,802</u>	<u>\$ 30,662,820</u>

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

11. FAIR VALUE MEASUREMENTS

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

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

- *Money market mutual funds:* Generally transact subscription and redemption activity at a \$1 stable net asset value (NAV), however, on a daily basis the funds are valued at their daily NAV calculated using the amortized cost of the securities held in the fund.
- *U.S. Treasury obligations:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.
- *Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end and closed-end mutual funds that are registered with the Securities and Exchange Commission. Open-end mutual funds are required to publish their daily NAV and to transact at that price. The NAV of a closed-end mutual fund is calculated by subtracting fund liabilities from the current market value of its assets and dividing by the total number of shares outstanding. The NAV changes as the total value of the underlying portfolio securities rise or fall, or the fund's liabilities change. Because an exchange-listed closed-end fund's shares trade in the stock market based on investor demand, the fund may trade at a price higher (premium) or lower (discount) than its NAV

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

based on market perceptions or investor sentiment. The mutual funds held by the Foundation are deemed to be actively traded.

- *Beneficial interest in perpetual trusts:* The Foundation has an interest in two trusts. One is valued based on the estimated present value of the future cash flows of the interest. For the second, the fair value determination is based on the underlying assets, as reported by the trustee, held within the trust, substantially all of which are valued on a mark-to-market basis.

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

The following tables segregate all financial assets measured at fair value into the most appropriate level within the fair value hierarchy as of December 31:

	2024			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market mutual funds	\$ -0-	\$ 1,466,244	\$ -0-	\$ 1,466,244
U.S. Treasury obligations	-0-	6,396,790	-0-	6,396,790
Mutual funds				
Equity				
Large value	4,325,364	-0-	-0-	4,325,364
Large blend	24,054,980	-0-	-0-	24,054,980
International	5,310,215	-0-	-0-	5,310,215
Mid cap	4,681,877	-0-	-0-	4,681,877
Small cap	15,405,479	-0-	-0-	15,405,479
Fixed income	4,756,914	-0-	-0-	4,756,914
Non traditional assets	7,821,955	-0-	-0-	7,821,955
	<u>66,356,784</u>	<u>-0-</u>	<u>-0-</u>	<u>66,356,784</u>
Total investments in the fair value hierarchy	<u>\$ 66,356,784</u>	<u>\$ 7,863,034</u>	<u>\$ -0-</u>	74,219,818
Cash				272,856
Certificates of deposit				<u>1,526,635</u>
Total investments				<u>\$ 76,019,309</u>
Beneficial interest in perpetual trusts	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 246,924</u>	<u>\$ 246,924</u>

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

	2023			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market mutual funds	\$ -0-	\$ 35,280,827	\$ -0-	\$ 35,280,827
U.S. Treasury obligations	-0-	1,576,720	-0-	1,576,720
Mutual funds				
Equity				
Large value	2,667,546	-0-	-0-	2,667,546
Large blend	11,595,099	-0-	-0-	11,595,099
Mid cap	880,128	-0-	-0-	880,128
Small cap	8,847,128	-0-	-0-	8,847,128
Fixed income	2,839,750	-0-	-0-	2,839,750
Non traditional assets	5,216,796	-0-	-0-	5,216,796
	<u>32,046,447</u>	<u>-0-</u>	<u>-0-</u>	<u>32,046,447</u>
Total investments in the fair value hierarchy	<u>\$ 32,046,447</u>	<u>\$ 36,857,547</u>	<u>\$ -0-</u>	68,903,994
Cash				260,299
Certificates of deposit				<u>1,464,300</u>
Total investments				<u>\$ 70,628,593</u>
Beneficial interest in perpetual trusts	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 348,928</u>	<u>\$ 348,928</u>

The following table sets forth the change in beneficial interest in perpetual trusts measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

	2024	2023
Balance, beginning of year	\$ 348,928	\$ 417,439
Change in value for the year	<u>(102,004)</u>	<u>(68,511)</u>
Balance, end of year	<u>\$ 246,924</u>	<u>\$ 348,928</u>

12. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund specific purposes. In addition, the Foundation receives significant support without donor restrictions that is available to fund general expenditures as well as program services costs.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide flexibility to respond to changing needs, as well as to provide reasonable assurance that long-term grant commitments and obligations under endowments with donor restrictions that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

The following table reflects the Foundation's financial assets, reduced by amounts that are not available to meet general expenditures within one year of the consolidated statement of financial position date; that is, amounts that are without board designations or other restrictions limiting their use at December 31:

	2024	2023
Cash	\$ 1,024,753	\$ 1,258,317
Contributions receivable, net	485,056	710,765
Related party receivable	14,965	26,662
Notes receivable	2,344,563	2,513,683
Other receivables	293,808	257,755
Investments	76,019,309	70,628,593
Cash surrender value of life insurance	121,098	138,702
Beneficial interest in perpetual trusts	246,924	348,928
Total financial assets	80,550,476	75,883,405
Notes receivable issued from undesignated funds		
due beyond one year	(304,786)	(326,215)
Cash surrender value of life insurance	(121,098)	(138,702)
Board designated net assets	(39,864,421)	(38,096,228)
Net assets with donor restrictions		
Time and purpose restricted	(38,235,637)	(35,291,835)
Perpetual	(1,206,363)	(1,311,833)
Total financial assets available to meet cash		
needs for general expenditures within one year	\$ 818,171	\$ 718,592

Net assets with donor restrictions are not available for general expenditure. Board designated net assets have been designated by the Board for specific purposes. As described in Note 10, the endowment funds have specific spending policies based on the balances of the endowment funds. Although the Foundation does not intend to spend board designated net assets to meet general expenditures, the amounts could be made available by Board approval, if necessary.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

As part of the Foundation's liquidity management plan, amounts remain in investments until they are required to be transferred to the Foundation's operating bank account to meet operating expenses.

13. LEASES AS LESSOR

The Foundation leases office space to the Phi Kappa Psi Fraternity, Inc. (the Fraternity) under an agreement which began January 1, 2006 and was extended through December 31, 2025. The Foundation recognized rental income for the years ended December 31, 2024 and 2023 from the Fraternity of \$113,227 and \$111,766, respectively. The Foundation also leased a property to an unrelated housing corporation on a month to month basis and recognized rental income of \$53,163 for the year ended December 31, 2023.

In evaluating contracts to determine if they qualify as a lease, the Foundation considers factors such as if it has obtained substantially all the rights to the underlying assets through exclusivity, if the Foundation can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. Furthermore, the Foundation assesses all relevant factors related to options to extend or terminate a lease. The Foundation has made a policy election to not separate the lease and non-lease components related to tenant lease agreements, where applicable.

Total rental income under operating leases was \$113,227 and \$164,929 for the years ended December 31, 2024 and 2023, respectively.

As of December 31, 2024, future minimum lease payments due under its lease agreement with the Fraternity through December 31, 2025 are \$114,687.

14. AFFILIATED AND SUBSIDIARY ORGANIZATION TRANSACTIONS

The Foundation and the Fraternity are related parties that are not financially interrelated organizations. Because the organizations have separate boards, funding, goals and objectives, the accounts of the Fraternity have not been consolidated with the Foundation in the accompanying financial statements.

The Foundation and the Fraternity share office space in the national headquarters building owned by the Foundation and each is responsible for their proportionate share of certain operating costs.

As mentioned in Note 13, the Foundation leases office space to the Fraternity under an agreement which began January 1, 2006 and was extended through December 31, 2025. The Foundation recognized rental income for the years ended December 31, 2024 and 2023 from the Fraternity of \$113,227 and \$111,766, respectively.

As of December 31, 2024, future minimum lease payments due under its lease agreement with the Fraternity through December 31, 2025 are \$114,687.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

Annually, both the Fraternity and the Foundation reimburse each other for their proportionate share of personnel costs, janitorial services, voice and data usage, IT services, and other operating expenses, as well as any direct expenses incurred on behalf of the other entity.

Accounts receivable of \$14,965 and \$26,662 are due from the Fraternity at December 31, 2024 and 2023, respectively.

The Finance Engine was owner and beneficiary of a \$33,000,000 life insurance policy on a board trustee which was received in 2023 and recognized as proceeds from the maturity of life insurance policies in the consolidated statement of activities. The funds were allocated based on donor agreement as follows: \$6 million to the Institute, \$2 million among all existing Foundation Chapter Scholarship Funds, \$2 million for educational spaces within Phi Kappa Psi facilities, \$9.9 million retained by the Finance Engine and the remaining \$13.1 million to the McMahan Board Designated Operating Endowment.

The Finance Engine was the owner and beneficiary of a \$23,000,000 life insurance policy on two board trustees which was received in 2023 and recognized as proceeds from the maturity of life insurance policies in the consolidated statement of activities. The funds were disbursed based on policy as follows: \$13.3 million retained by the Finance Engine and the remaining \$9.7 million to the McMahan Board Designated Operating Endowment. This policy required fluctuating annual premium payments, which amounted to \$834,000 for the year ended December 31, 2023.

15. RETIREMENT PLAN

The Foundation offers a 401(k)-retirement plan for all eligible employees who have satisfied the conditions for participation. Employee contributions may be made to the plan up to statutory limits. The Foundation matches employee contributions 100% up to 6% of pay and also offers discretionary profit-sharing contributions. The Foundation's contributions for 2024 and 2023 were \$69,598 and \$57,430, respectively.

16. RISKS AND UNCERTAINTIES

The Foundation's investments (Note 5) and beneficial interest in perpetual trusts (Note 7) are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with these assets and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying consolidated financial statements.

17. CONTINGENCY

Various claims could arise against the Foundation in the normal course of business. However, management believes their insurance coverage is sufficient to pay liabilities, if any. No amounts related to legal issues, litigation or contingencies were recorded in these consolidated financial statements.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

18. CONCENTRATIONS

The Foundation maintains cash in an interest-bearing account which regularly exceeds federally insured limits. The Foundation has not experienced any losses in this account and believes it is not exposed to any significant credit risk on cash.

At December 31, 2024, one donor made up 14% of gross contributions receivable. At December 31, 2023, the same donor made up 27% of gross contributions receivable.

At December 31, 2024, one donor made up 12% of total contributions. At December 31, 2023, one donor made up 19% of total contributions.

At December 31, 2024, two borrowers represent 60% of notes receivable with individual percentages of 29% and 31%. At December 31, 2023, the same two borrowers represent 60% of notes receivable, with individual percentages of 30% each.

The Foundation's investments (Note 5) are held with one investment manager. The Foundation has not experienced any credit losses in its accounts and believes it is not exposed to any significant credit risk. At December 31, 2024 three mutual funds represent 38% of total investments, with individual percentage ranging from 10% to 14%. At December 31, 2023, one government money market mutual fund represents 50% of total investments.

SUPPLEMENTARY INFORMATION

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Alabama Alpha Chapter Scholarship Fund	\$ 48,680
Alabama Beta Chapter Scholarship Fund	2,498
Arizona Alpha Chapter Scholarship Fund	308,789
Arizona Beta Endowed Chapter OneFund	75,608
California Delta Endowed Chapter OneFund	2,256,740
California Epsilon Endowed Chapter OneFund	1,694,477
California Eta Endowed Chapter OneFund	73,923
California Gamma Endowed Chapter OneFund	136,787
California Iota Endowed Chapter OneFund	22,871
California Kappa (J. Robert Meserve) Scholarship Fund	53,137
California Lambda Endowed Chapter OneFund	302,784
California Mu Endowed Chapter OneFund	7,300
California Nu Chapter Scholarship Fund	35,795
California Theta Endowed Chapter OneFund	38,072
California Xi Endowed Chapter OneFund	27,566
California Zeta Chapter Scholarship Fund	21,920
Colorado Alpha Endowed Chapter OneFund	175,730
District of Columbia Alpha Chapter Scholarship Fund	5,258
Florida Alpha (Robert "Bob" L. Foss) Scholarship Fund	30,754
Georgia Alpha Endowed Chapter OneFund	34,546
Georgia Beta Endowed Chapter OneFund	49,871
Houston Alumni Association Chapter Scholarship Fund	48,174
Illinois Alpha Chapter Scholarship Fund	31,865
Illinois Eta Endowed Chapter OneFund	40,715
Illinois Epsilon Endowed Chapter OneFund	78,375
Illinois Iota Chapter Scholarship Fund	27,329
Illinois Theta Endowed Chapter OneFund	48,880
Illinois Zeta (Carlos Navarro) Chapter Scholarship Fund	91,809
Indiana Alpha Endowed Chapter OneFund	267,271
Indiana Beta Endowed Chapter OneFund	151,185
Indiana Delta Chapter Scholarship Fund	257,143
Indiana Epsilon Endowed Chapter OneFund	167,061
Indiana Eta Endowed Chapter OneFund	43,743
Indiana Gamma Endowed Chapter OneFund	92,950
Indiana Theta Endowed Chapter OneFund	29,971
Indiana Zeta Endowed Chapter OneFund	117,613
Iowa Alpha Endowed Chapter OneFund	93,424
Iowa Beta Endowed Chapter OneFund	106,654
Kansas Alpha Chapter Scholarship Fund	42,005

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Kentucky Beta Endowed Chapter OneFund	76,733
Louisiana Alpha Chapter Scholarship Fund	74,266
Louisiana Beta Endowed Chapter OneFund	50,252
Louisiana Gamma Chapter Scholarship Fund	23,027
Maryland Alpha Endowed Chapter OneFund	519,956
Maryland Gamma Endowed Chapter OneFund	6,757
Massachusetts Beta Endowed Chapter OneFund	48,564
Michigan Alpha (Wolverine) Endowed Chapter OneFund	102,218
Michigan Beta Endowed Chapter OneFund	114,546
Minnesota Beta Endowed Chapter OneFund	406,589
Minnesota Delta Endowed Chapter OneFund	56,058
Minnesota Gamma Endowed Chapter OneFund	34,673
Mississippi Alpha Endowed Chapter OneFund	39,519
Missouri Alpha Chapter Scholarship Fund	236,798
Nebraska Alpha Endowed Chapter OneFund	62,251
Nebraska Beta (Theodore J. Urban) Scholarship Fund	46,200
New Jersey Beta Endowed Chapter OneFund	29,731
New Jersey Delta Endowed Chapter OneFund	40,604
New Jersey Epsilon Endowed Chapter OneFund	49,596
New Jersey Gamma Endowed Chapter OneFund	28,080
New York Alpha Chapter Scholarship Fund	90,371
New York Beta Chapter Scholarship Fund	38,611
New York Eta Endowed Chapter OneFund	56,731
New York Iota Chapter Scholarship Fund	23,433
New York Kappa Endowed Chapter OneFund	139,170
New York Theta Endowed Chapter OneFund	118,955
North Carolina Beta Endowed Chapter OneFund	14,960
Ohio Alpha Endowed Chapter OneFund	46,175
Ohio Beta Endowed Chapter OneFund	408,012
Ohio Epsilon Endowed Chapter OneFund	287,091
Ohio Eta Chapter Scholarship Fund	36,224
Ohio Iota Endowed Chapter OneFund	30,811
Ohio Lambda Endowed Chapter OneFund	99,948
Ohio Mu Endowed Chapter OneFund	99,575
Ohio Nu Endowed Chapter OneFund	24,017
Ohio Theta Endowed Chapter OneFund	36,222
Ohio Xi Endowed Chapter OneFund	46,042
Ohio Zeta Endowed Chapter OneFund	47,766
Oklahoma Alpha Endowed Chapter OneFund	66,327

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Oregon Alpha Chapter Scholarship Fund	55,679
Oregon Beta Endowed Chapter OneFund	225,304
Pennsylvania Alpha Chapter Scholarship Fund	32,877
Pennsylvania Beta Endowed Chapter OneFund	146,238
Pennsylvania Epsilon Endowed Chapter OneFund	105,150
Pennsylvania Eta Chapter Scholarship Fund	59,825
Pennsylvania Gamma Endowed Chapter OneFund	75,848
Pennsylvania Iota Chapter Scholarship Fund	71,716
Pennsylvania Lambda Endowed Chapter OneFund	53,376
Pennsylvania Nu Chapter Scholarship Fund	39,815
Pennsylvania Phi Chapter Scholarship Fund	26,644
Pennsylvania Rho Endowed Chapter OneFund	31,397
Pennsylvania Sigma Chapter Scholarship Fund	25,963
Pennsylvania Upsilon Endowed Chapter OneFund	29,354
Pennsylvania Xi Endowed Chapter OneFund	2,535
Rhode Island Alpha Chapter Scholarship Fund	35,782
Rhode Island Beta Chapter Scholarship Fund	164,470
Tennessee Epsilon Chapter Scholarship Fund	90,937
Texas Beta Endowed Chapter OneFund	160,290
Texas Epsilon Endowed Chapter OneFund	34,895
Texas Gamma Chapter Scholarship Fund	13,015
Texas Zeta Endowed Chapter OneFund	29,822
Virginia Alpha Endowed Chapter OneFund	34,493
Virginia Zeta Endowed Chapter OneFund	32,778
Washington Alpha Chapter Scholarship Fund	505,838
West Virginia Alpha Endowed Chapter OneFund	250,635
Wisconsin Gamma Chapter Scholarship Fund	123,807
Ohio Omicron Chapter Scholarship Fund	23,902
Virginia Eta Endowed Chapter OneFund	25,011
Indiana Iota Endowed Chapter OneFund	23,869
Delaware Alpha Chapter Scholarship Fund	28,214
Arkansas Alumni Association Chapter Scholarship Fund	94,024
Alabama Gamma Endowed Chapter OneFund	20,550
Ohio Kappa Chapter Scholarship Fund	98
Maryland Delta Endowed Chapter OneFund	21,405
Washington Alpha Endowed Chapter OneFund	156,087
South Carolina Beta Endowed Chapter OneFund	20,439
Ohio Pi Endowed Chapter OneFund	20,439
Texas Eta Endowed Chapter OneFund	20,439

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Utah Alpha Endowed Chapter OneFund	20,439
Virginia Theta Endowed Chapter OneFund	20,439
Washington Beta Endowed Chapter OneFund	20,439
South Carolina Alpha Endowed Chapter OneFund	20,529
California Gamma Chapter Housing Fund	10,095
California Kappa Chapter Housing Fund	42,090
Indiana Alpha Chapter Housing Fund	167,678
Indiana Delta Chapter Housing Fund	7,274
Iowa Beta Chapter Housing Fund	1,143,530
Nebraska Alpha (Dan Cook) Chapter Housing Fund	101
Oregon Beta Chapter Housing Fund	14,949
Virginia Beta (1855) Chapter Housing Fund	483
California Eta Chapter Housing Fund	37,795
Illinois Delta Chapter Housing Fund	12,505
Ohio Nu Chapter Housing Fund	644
Texas Gamma Chapter Housing Fund	26,023
Georgia Alpha Chapter Housing Fund	1,586
Indiana Epsilon Chapter Housing Fund	22,713
Ohio Lambda Chapter Housing Fund	18,573
Louisiana Alpha Chapter Housing Fund	69,286
Virginia Zeta Chapter Housing Fund	747
Mississippi Alpha Chapter Housing Fund	338,722
West Virginia Alpha Chapter Housing Fund	540,439
Oklahoma Alpha Chapter Housing Fund	2,640
Washington Alpha Housing Fund	174,266
Virginia Alpha Chapter Housing Fund	120,511
Massachusetts Beta Chapter Housing Fund	32,645
Indiana Zeta Chapter Housing Fund	880
Ohio Iota Chapter Housing Fund	269
Pennsylvania Theta Chapter House Operating Fund	274,570
Ohio Delta (Chapter House) Chapter House Operating Fund	9,768
Indiana Delta Chapter House Operating Fund	100,596
Virginia Beta (1855) Chapter House Operating Fund	22,437
Washington Alpha Chapter House Operating Fund	1,523
Pennsylvania Lambda Chapter House Operating Fund	191,114
Indiana Epsilon (Donald V. Fites) Endowed Chapter OneFund	89,984
Virginia Beta (Jerry Nelson) Mentor Scholarship Fund	99,609
Indiana Beta (Reach For Excellence) Grant Fund	28,032
Excellence in Advising Grant Fund	46,361

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Gordon S. Letterman Scholarship Fund	8,153
Nebraska Alpha (Walter & Virginia Henrion) Fellowship Fund	205,705
Terrence "Terry" G. Harper Fellowship Fund	55,502
William H. Blanning Scholarship Fund	174,728
Health & Wellness Fund	287
Mississippi Alpha (Christopher J. Grimaud) Scholarship Fund	35,404
Schroeder Scholarship Fund	59,996
Shane Yates Fellowship Fund	55,345
Louisiana Alpha Chapter Fellowship Fund	30,962
Nebraska Alpha (Dan Cook) Fellowship Fund	53,335
Scott Sutton Memorial Fund	1,861
California Delta (Brensike - McMahan) Scholarship Fund	38,205
Phi Kappa Psi Pride Scholarship Fund	63,345
California Epsilon (James N. Harger) Engineering Sch. Fund	46,615
Iowa Beta (Paul T. Troupe) Emerging Leaders Scholarship Fund	90,788
Michigan Alpha (Michael R. Etzioni) Scholarship Fund	37,369
California Delta (Benton H. Lamson) Scholarship Fund	56,323
California Epsilon (Scott C. Thomas) Scholarship Fund	45,958
Illinois Delta (C.F. "Dab" Williams) Scholarship Fund	103,416
Illinois Delta (Stephen W. Acheson) Scholarship Fund	83,571
Indiana Beta (Bradley L. Henninger) Scholarship Fund	128,348
Iowa Alpha (Michael D. Junker) Scholarship Fund	40,171
Kansas Alpha (Riley) Scholarship Fund	31,619
Michigan Beta (Charles & Estelle Williams) Scholarship Fund	457,967
Nebraska Alpha (Robert E. Hamilton) Scholarship Fund	51,765
Nebraska Alpha (Western Nebraska) Scholarship Fund	22,282
Ohio Delta (Howard L. Hamilton) Scholarship Fund	71,924
Ohio Delta (Manning D. Webster) Scholarship Fund	62,998
Ohio Delta (Norman "Norm" M. Spain) Scholarship Fund	49,060
Ohio Delta (William "Mil" M. Batten) Scholarship Fund	47,151
Ohio Epsilon (Medical Education) Scholarship Fund	5,128
Ohio Theta (Helen B. Smith) Scholarship Fund	12,378
Ohio Theta (Jerry & Terrie Dunlap) Scholarship Fund	38,829
Oklahoma Alpha (Wittrock) Scholarship Fund	19,528
Oregon Alpha (Hugh B. Oliphant) Scholarship Fund	55,466
Oregon Alpha (Maurice "Mo" J. Warnock) Scholarship Fund	107,439
Oregon Alpha (Maurice O'Callaghan) Scholarship Fund	32,139
Rhode Island Alpha (Clayton C. Dovey III) Scholarship Fund	2,552
Texas Alpha (Derrick A. Eakin Memorial) Scholarship Fund	14,220

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Texas Alpha (Longview) Scholarship Fund	121,580
Texas Alpha (Paul A. Cox Memorial) Scholarship Fund	15,911
Texas Alpha (St. Tacky) Scholarship Fund	90,134
Virginia Beta (C. Stephen Leonard) Scholarship Fund	128,849
Virginia Beta (George S. Lantzas) Scholarship Fund	87,379
Virginia Zeta (Willow Creek/Philpott) Scholarship Fund	1,833
Ohio Delta (George S. Frost) Scholarship Fund	1,307,424
New York Theta (Brian D. Bauer) Scholarship Fund	39,645
California Epsilon (James L. Tigner Jr.) Scholarship Fund	214,740
Pennsylvania Iota (Correia) Scholarship Fund	76,316
Iowa Beta (Bill & Lindy Good) Chapter Scholarship Fund	160,288
Washington Alpha (Douglas A. Hora) Chapter Scholarship Fund	31,023
New York Beta (Hunter Brooks Watson) Scholarship Fund	88,358
California Beta Chapter Scholarship Fund	124,260
Pennsylvania Theta Chapter Scholarship Fund	425,825
Texas Alpha (Centennial) Scholarship Fund	290,238
Pennsylvania Theta (Dr. David Veshosky Mem.) Fellowship Fund	961
Colorado Alpha (Connor Thomson) Scholarship Fund	132,454
Iowa Beta (Kyle L Goodell) Spirit Scholarship Fund	25,687
WV Alpha Seth Underwood Chapter Scholarship Fund	6,278
Tennessee Delta H. Fort Flowers Educational & Leadership Exc	3,817,985
Making Phi Psi Financially Accessible Scholarship Fund	26,824
Kentucky Beta Housing Corporation Fund	225,044
Mentoring Advantage Program Fund	(20,707)
Leadership & Member Development Fund	66,436
Ohio Delta (J. Gilbert Reese) Chapter Scholarship Fund	959,438
Watkins Christian Scholarship Fund	157,878
Ohio Lambda Leadership Character Strengthening Fund	37,902
Interest in Summerfield Foundation	231,000
Indiana Beta (William E. Young Trust) Scholarship Fund	15,924
Alabama Alpha Chapter Leadership Fund	5,816
Alabama Beta Chapter Leadership Fund	900
Alabama Gamma Chapter OneFund	451
Arizona Alpha Chapter Leadership Fund	728
Arizona Beta Chapter OneFund	243
California Delta Chapter OneFund	75,523
California Epsilon Chapter OneFund	56,262
California Eta Chapter OneFund	(980)
California Gamma Chapter OneFund	10,611

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

California Iota Chapter OneFund	1,151
California Kappa Chapter Leadership Fund	1,350
California Lambda Chapter OneFund	1,082
California Mu Chapter OneFund	25
California Theta Chapter OneFund	2,276
California Xi Chapter OneFund	2,934
Colorado Alpha Chapter OneFund	5,053
Delaware Alpha Chapter Leadership Fund	786
District of Columbia Alpha Chapter Leadership Fund	612
Florida Alpha Chapter Leadership Fund	1,761
Georgia Alpha Chapter OneFund	3,427
Georgia Beta Chapter OneFund	4,913
Illinois Alpha Chapter Leadership Fund	657
Illinois Delta Chapter Leadership Fund	2,914
Illinois Epsilon Chapter OneFund	108
Illinois Eta Chapter OneFund	709
Illinois Iota Chapter Leadership Fund	1,881
Illinois Theta Chapter OneFund	202
Illinois Zeta Chapter Leadership Fund	1,875
Indiana Alpha (Dorothy "Mom" Brown) Chapter OneFund	35,693
Indiana Beta Chapter OneFund	10,586
Indiana Delta Chapter Leadership Fund	72,007
Indiana Epsilon Chapter OneFund	20,877
Indiana Eta Chapter OneFund	1,668
Indiana Gamma Chapter OneFund	9,284
Indiana Iota Chapter OneFund	1,381
Indiana Theta Chapter OneFund	1,623
Indiana Zeta Chapter OneFund	6,495
Iowa Alpha Chapter OneFund	1,220
Iowa Beta Chapter OneFund	10,587
Kansas Alpha Chapter Leadership Fund	13,495
Kentucky Beta Chapter OneFund	19,641
Louisiana Alpha Chapter Leadership Fund	5,380
Louisiana Beta Chapter OneFund	1,379
Louisiana Gamma Chapter Leadership Fund	594
Maryland Alpha Chapter OneFund	880
Maryland Gamma Chapter OneFund	320
Massachusetts Beta Chapter OneFund	9
Michigan Alpha Chapter OneFund	34,157

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Michigan Beta Chapter OneFund	8,502
Minnesota Beta Chapter OneFund	29,905
Minnesota Delta Chapter OneFund	10,639
Minnesota Gamma Chapter OneFund	603
Mississippi Alpha Chapter OneFund	803
Missouri Alpha Chapter Leadership Fund	2,335
Nebraska Alpha Chapter OneFund	1,643
Nebraska Beta Chapter Leadership Fund	31
New Jersey Beta Chapter OneFund	507
New Jersey Delta Chapter OneFund	4,615
New Jersey Epsilon Chapter OneFund	3,394
New Jersey Gamma Chapter OneFund	1,368
New York Alpha Chapter Leadership Fund	160
New York Beta Chapter Leadership Fund	56,951
New York Eta Chapter OneFund	72,236
New York Iota Chapter Leadership Fund	71
New York Kappa Chapter OneFund	5,065
New York Theta Chapter OneFund	3,472
North Carolina Beta Chapter OneFund	822
Ohio Alpha Chapter OneFund	400
Ohio Beta Chapter OneFund	3,134
Ohio Delta Chapter Leadership Fund	67,924
Ohio Epsilon Chapter OneFund	18,312
Ohio Eta Chapter Leadership Fund	1,106
Ohio Iota Chapter OneFund	2,435
Ohio Kappa Chapter Leadership Fund	68
Ohio Lambda Chapter OneFund	1,424
Ohio Mu Chapter OneFund	506
Ohio Nu Chapter OneFund	453
Ohio Omicron Chapter Leadership Fund	452
Ohio Theta Chapter OneFund	15,141
Ohio Xi Chapter OneFund	715
Ohio Zeta Chapter OneFund	1,516
Oklahoma Alpha Chapter OneFund	513
Oregon Alpha Chapter Leadership Fund	548
Oregon Beta Chapter OneFund	18,228
Pennsylvania Alpha Chapter Leadership Fund	1,873
Pennsylvania Beta Chapter OneFund	77,940
Pennsylvania Epsilon Chapter OneFund	670

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Pennsylvania Eta Chapter Leadership Fund	1,854
Pennsylvania Iota Chapter Leadership Fund	1,147
Pennsylvania Lambda Chapter OneFund	4,419
Pennsylvania Nu Chapter Leadership Fund	371
Pennsylvania Phi Chapter Leadership Fund	443
Pennsylvania Rho Chapter OneFund	604
Pennsylvania Sigma Chapter Leadership Fund	405
Pennsylvania Upsilon Chapter OneFund	581
Pennsylvania Xi Chapter OneFund	532
Pennsylvania Zeta Chapter OneFund	10
Rhode Island Alpha Chapter Leadership Fund	(56)
Rhode Island Beta Chapter Leadership Fund	885
Tennessee Epsilon Chapter Leadership Fund	1,392
Texas Beta Chapter OneFund	83
Texas Epsilon Chapter OneFund	2,814
Texas Gamma Chapter Leadership Fund	121
Texas Zeta Chapter OneFund	542
Virginia Alpha Chapter OneFund	210,430
Virginia Beta Chapter Leadership Fund	7,622
Virginia Theta Chapter OneFund	875
Virginia Zeta Chapter OneFund	418
Washington Alpha Chapter Leadership Fund	4,104
West Virginia Alpha Chapter OneFund	1,213
Wisconsin Gamma Chapter Leadership Fund	1,282
California Zeta Chapter Leadership Fund	109
Maryland Delta Chapter OneFund	11,143
Ohio Pi Chapter OneFund	251
California Beta Chapter Leadership Fund	15,302
Pennsylvania Theta Non-Endowed Chapter Leadership Fund	6,759
Texas Alpha Non-Endowed Chapter Leadership Fund	491
General Chapter OneFund	48,783
California Beta Endowed Chapter Leadership Fund	49,772
Pennsylvania Theta Endowed Chapter Leadership Fund	99,345
Jerry Nelson Scholarship Fund	55,438
Philip M. Cornelius Scholarship Fund	38,730
Ralph D. Daniel Scholarship Fund	89,554
Ruddick C. Lawrence Scholarship Fund	118,429
Ruth Lilly Operating Fund	445,962
Museum & Archives Fund	18,212

See report of independent auditors on pages 1 through 3.

THE ENDOWMENT FUND OF THE PHI KAPPA PSI FRATERNITY AND SUBSIDIARIES

SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATIONS DECEMBER 31, 2024

Nelson Leadership Institute LLC	273,562
Frederick and Sharon Hegele Leadership and Service Fund	97,155
Phi Psi Friendship Fund	415
Texas Alpha Board Designated Scholarship Fund	291,422
Neil Johnson Chapter Advisor Fellowship	53,372
Neil Johnson Ohio Undergraduate Scholarship	53,373
McMahan (Board Designated) Educational Housing Endowment	2,187,599
Nelson Leadership Institute Operating Endowment	5,420,440