

**The University of Maryland  
College Park Foundation, Inc.  
and Subsidiary**

Consolidated Financial Report  
June 30, 2025

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## Independent Auditor's Report

Board of Trustees  
The University of Maryland College Park Foundation, Inc.

### Opinion

We have audited the consolidated financial statements of The University of Maryland College Park Foundation, Inc. and Subsidiary (the Foundation), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, based on our audits and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the consolidated financial statements of Terrapin Development Company, LLC and Subsidiaries (TDC), a majority-owned subsidiary, whose statements reflect total assets constituting 6% of consolidated total assets at June 30, 2025 and 2024, and total revenues constituting 3% and 5%, respectively, of consolidated total revenues for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for TDC, is based solely on the report of the other auditors.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

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

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

### **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 financial statements.
- Conclude whether, in our judgment, 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.

*RSM US LLP*

Gaithersburg, Maryland  
October 24, 2025

The University of Maryland College Park Foundation, Inc. and Subsidiary

Consolidated Statements of Financial Position  
June 30, 2025 and 2024

	2025	2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 41,146,507	\$ 109,871,822
Contributions receivable, current portion, net	77,906,015	53,805,140
Short-term investments	118,586,179	137,130,108
Loan receivables	98,610	95,699
<b>Total current assets</b>	<b>237,737,311</b>	<b>300,902,769</b>
Investments:		
Endowment	864,930,813	741,808,553
Investments held for split-interest agreements	3,450,276	3,277,214
<b>Total investments</b>	<b>868,381,089</b>	<b>745,085,767</b>
TDC—investment property and other assets	70,849,181	67,642,885
Other assets:		
Contributions receivable, long-term portion, net	37,155,378	58,490,623
Real estate holdings and property, net	36,636,379	12,811,613
Beneficial interest in split-interest agreements	1,178,202	1,196,737
Loan receivables	6,169,482	6,268,092
<b>Total other assets</b>	<b>81,139,441</b>	<b>78,767,065</b>
<b>Total assets</b>	<b>\$ 1,258,107,022</b>	<b>\$ 1,192,398,486</b>

(Continued)

The University of Maryland College Park Foundation, Inc. and Subsidiary

Consolidated Statements of Financial Position (Continued)  
June 30, 2025 and 2024

	2025	2024
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 4,102,587	\$ 21,168,958
Refundable advances	4,020,791	3,009,878
<b>Total current liabilities</b>	<b>8,123,378</b>	<b>24,178,836</b>
Other liabilities:		
TDC—liabilities	452,968	582,441
Split-interest agreements	2,083,436	2,108,778
<b>Total other liabilities</b>	<b>2,536,404</b>	<b>2,691,219</b>
<b>Total liabilities</b>	<b>10,659,782</b>	<b>26,870,055</b>
Commitments and contingencies (Note 14)		
Net assets:		
Without donor restrictions:		
Quasi-endowment	249,368	249,368
The Foundation	60,512,466	44,420,430
<b>Total Foundation</b>	<b>60,761,834</b>	<b>44,669,798</b>
UMCP noncontrolling interest in TDC	13,712,477	12,687,633
	<b>74,474,311</b>	<b>57,357,431</b>
With donor restrictions	<b>1,172,972,929</b>	<b>1,108,171,000</b>
Total net assets:		
The Foundation	1,233,734,763	1,152,840,798
UMCP noncontrolling interest in TDC	13,712,477	12,687,633
<b>Total net assets</b>	<b>1,247,447,240</b>	<b>1,165,528,431</b>
Total liabilities and net assets:		
The Foundation	1,244,394,545	1,179,710,853
UMCP noncontrolling interest in TDC	13,712,477	12,687,633
<b>Total liabilities and net assets</b>	<b>\$ 1,258,107,022</b>	<b>\$ 1,192,398,486</b>

See notes to consolidated financial statements

The University of Maryland College Park Foundation, Inc. and Subsidiary

Consolidated Statement of Activities  
Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Contributions	\$ -	\$ 106,126,899	\$ 106,126,899
Investment income, net of fees	13,108,081	54,110,108	67,218,189
Management fee appropriated from investments	7,670,247	-	7,670,247
Gain on investment in TDC	2,992,576	-	2,992,576
Other income	3,589,668	-	3,589,668
Change in valuation of split-interest agreements	6,800	(225,352)	(218,552)
Net assets released from restrictions	95,209,726	(95,209,726)	-
<b>Total support and revenue</b>	<b>122,577,098</b>	<b>64,801,929</b>	<b>187,379,027</b>
Expenses:			
Program	102,817,682	-	102,817,682
General and administrative	3,667,380	-	3,667,380
<b>Total expenses</b>	<b>106,485,062</b>	<b>-</b>	<b>106,485,062</b>
<b>Change in net assets (Foundation)</b>	<b>16,092,036</b>	<b>64,801,929</b>	<b>80,893,965</b>
UMCP noncontrolling interest in TDC:			
Increase in net assets resulting from operations	1,024,844	-	1,024,844
<b>Change in net assets (UMCP noncontrolling interest in TDC)</b>	<b>1,024,844</b>	<b>-</b>	<b>1,024,844</b>
<b>Change in net assets</b>	<b>17,116,880</b>	<b>64,801,929</b>	<b>81,918,809</b>
Net assets:			
Beginning	57,357,431	1,108,171,000	1,165,528,431
Ending	\$ 74,474,311	\$ 1,172,972,929	\$ 1,247,447,240

See notes to consolidated financial statements.

The University of Maryland College Park Foundation, Inc. and Subsidiary

Consolidated Statement of Activities  
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Contributions	\$ 11,000	\$ 118,393,245	\$ 118,404,245
Investment income, net of fees	8,455,267	53,721,692	62,176,959
Management fee appropriated from investments	6,506,371	-	6,506,371
Gain on investment in TDC	6,069,722	-	6,069,722
Other income	900,503	-	900,503
Change in valuation of split-interest agreements	-	(133,012)	(133,012)
Loss on rescinded contribution receivables	-	-	-
Net assets released from restrictions	49,644,068	(49,644,068)	-
<b>Total support and revenue</b>	<b>71,586,931</b>	<b>122,337,857</b>	<b>193,924,788</b>
Expenses:			
Program	61,283,045	-	61,283,045
General and administrative	3,896,947	-	3,896,947
<b>Total expenses</b>	<b>65,179,992</b>	<b>-</b>	<b>65,179,992</b>
<b>Change in net assets (Foundation)</b>	<b>6,406,939</b>	<b>122,337,857</b>	<b>128,744,796</b>
UMCP noncontrolling interest in TDC:			
Increase in net assets resulting from operations	2,078,649	-	2,078,649
<b>Change in net assets (UMCP noncontrolling interest in TDC)</b>	<b>2,078,649</b>	<b>-</b>	<b>2,078,649</b>
<b>Change in net assets</b>	<b>8,485,588</b>	<b>122,337,857</b>	<b>130,823,445</b>
Net assets:			
Beginning	48,871,843	985,833,143	1,034,704,986
Ending	\$ 57,357,431	\$ 1,108,171,000	\$ 1,165,528,431

See notes to consolidated financial statements.

The University of Maryland College Park Foundation, Inc. and Subsidiary

Consolidated Statements of Cash Flows  
Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 81,918,809	\$ 130,823,445
Adjustment to reconcile change in net assets to net cash (used in) provided by operating activities:		
Net realized and unrealized (gains) on investments	(54,890,996)	(51,883,000)
Depreciation	25,361	25,361
Increase in discount on contributions receivable	1,200,955	165,043
Increase (decrease) in allowance for doubtful contributions	893,443	(1,889,353)
Contributions restricted for long-term investment	(47,953,844)	(69,766,425)
Changes in assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	(4,860,028)	24,803,411
Split-interest agreements	-	(501,582)
Other assets	(2,911)	(2,825)
TDC—investment property and other assets	(3,206,296)	(6,964,893)
Increase (decrease) in:		
Accounts payable and accrued expenses	(17,066,371)	20,890,568
Refundable advances	1,010,913	(586,323)
TDC—liabilities	(129,473)	(2,066,367)
<b>Net cash (used in) provided by operating activities</b>	<b>(43,060,438)</b>	<b>43,047,060</b>
Cash flows from investing activities:		
Purchases of investments	(87,712,748)	(60,045,455)
Sales of investments	38,025,412	14,264,070
Purchase of property and equipment	(23,850,126)	(11,536,105)
Payments on loan receivables	98,610	95,699
<b>Net cash used in investing activities</b>	<b>(73,438,852)</b>	<b>(57,221,791)</b>
Cash flows from financing activities:		
Split-interest agreements	(179,869)	(715,547)
Payments received on split-interest agreements	-	862,611
Contributions restricted for long-term investment	47,953,844	69,766,425
<b>Net cash provided by financing activities</b>	<b>47,773,975</b>	<b>69,913,489</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(68,725,315)</b>	<b>55,738,758</b>
Cash and cash equivalents:		
Beginning	109,871,822	54,133,064
Ending	<b>\$ 41,146,507</b>	<b>\$ 109,871,822</b>

See notes to consolidated financial statements

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies

The University of Maryland College Park Foundation, Inc. (the Foundation or UMCPF), an independent foundation incorporated in 1999, manages funds received for the benefit of The University of Maryland College Park (the University or UMCP).

The Terrapin Development Company, LLC (TDC) was formed as a limited liability company under the laws of the state of Maryland with the Foundation being the sole manager and sole member. On July 1, 2017, the Operating Agreement was amended to admit The University of Maryland, College Park (UMCP) as a class A member. This operating agreement amendment effectively transferred \$2 million in cash and approximately \$28.5 million of the Foundation's tenant deposits, land, buildings and capital lease assets to TDC, as part of a strategic real estate development plan created in cooperation with UMCP. UMCP plans to eventually contribute 28.5 acres of property to TDC in the future as market conditions warrant; however, UMCP had not contributed any real property to TDC nor made any unconditional promises to give such assets as of June 30, 2025.

TDC's capital structure consists of real estate assets and cash contributed by both the Foundation and the planned contribution of property by the University. TDC's Board of Directors consists of five members appointed by the Foundation and four members appointed by the University. Effective July 1, 2017, the day-to-day operations and property management of the aforementioned real estate assets formerly held by UMCPF are being managed by an independent staff selected by and reporting directly to TDC's Board of Directors. Each member's interest in the company is based on the terms of the Operating Agreement.

A summary of the Foundation's significant accounting policies follows:

**Principles of consolidation:** The accompanying consolidated financial statements include the accounts of the Foundation and TDC. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Basis of presentation:** The consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Not-for-Profit Entities topics of the Codification, Balance Sheet and Income Statement, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Net assets without donor restrictions:** Net assets without donor restrictions generally result from support derived from providing services and receiving unconditional contributions without donor restrictions, less expenses incurred in providing services, raising contributions and performing administrative functions. These funds are available for the use of the Foundation's supporting activities. The Board of Trustees has designated certain net assets without donor restrictions as a quasi-endowment.

**Net assets with donor restrictions:** Net assets with donor restrictions generally result from unconditional contributions and other inflows of assets, the use of which is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Generally, the donors of these assets permit the Foundation to use the income earned on these assets for general or specific purposes.

Unrealized and realized gains and losses, dividends and interest from investing in income-producing assets may be included in one of these net asset classifications depending on donor restrictions.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Cash and cash equivalents:** Cash and short-term investments with maturities at dates of purchase of three months or less are classified as cash equivalents, except that any such investments purchased with funds on deposit, funds held in trusts or by external endowment investment managers are classified with the deposits and investments, respectively. Cash equivalents include short-term U.S. Treasury securities and other short-term, highly liquid investments and are carried at cost plus accrued interest, which approximates fair value.

**Financial risk:** The Foundation maintains its cash in bank deposit accounts and money market accounts, which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant financial risk on cash balances.

The Foundation invests in a professionally managed portfolio that contains various securities that are exposed to risks such as interest rate, market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the consolidated financial statements.

**Credit risk:** There are select donors who make significant contributions to the Foundation. During the years ended June 30, 2025 and 2024, respectively, one donor accounted for 21% and 29% of the Foundation's revenue. As of June 30, 2025, one donor accounted for 20% of the Foundation's contributions receivable, and as of June 30, 2024, three donors together accounted for 52% of the Foundation's contributions receivable.

**Contributions receivable:** Unconditional promises to give with payments due in future periods are reported as donor-restricted support when the funds are promised. Amounts due are recorded at the net realizable value discounted using a rate of return that a market participant would expect to receive over the payment period at the date the contribution is received. An allowance for uncollectible promises is recorded for promises which may become uncollectible in future periods. Amounts deemed to be uncollectible have been written off. The contributions receivable balance is based on management's best estimate of the present value of the amounts expected to be collected. The amounts the Foundation will ultimately realize could differ from the amounts assumed on arriving at the present value and allowance for doubtful accounts.

**Valuation of investments:** The Foundation carries its investments at fair value to the extent that market quotations are readily available and reliable. To the extent that market quotations are not available or are considered to be unreliable, fair value is estimated by the University System of Maryland Foundation's (USMF) investment manager and Mercer, the Foundation's investment manager, under the general oversight of the Board of Trustees of the UMCP Foundation after consideration of factors considered to be relevant, including but not limited to, the type of investment, position size, marketability, (or absence thereof) cost, restrictions on transfer, and available quotations of similar instruments. Due to the uncertainty inherent in the valuation process, such estimates of fair value may differ significantly from the values that would have been obtained had a ready market for the investments existed, and the differences could be material. Additionally, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned. There is no single standard for determining fair value in good faith, as fair value depends upon the circumstances of each individual case. In general, fair value is the amount that the Foundation might reasonably expect to receive upon the current sale of the investment in an arms-length transaction in the investment's principal market.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

The change in realized and unrealized gains or losses on investment securities is reflected in the consolidated statements of activities. All gains and losses arising from investments are accounted for on a specific identification basis calculated as of the trade date. For endowment assets, which are held in a pool, investment gains or losses are distributed monthly among the individual endowment funds based on the number of units of the pool held by each individual endowment account.

**Trust investments:** Trust investments consist of funds held by the Foundation on behalf of other individuals, entities or institutions. These funds may be held in separate accounts or commingled and managed in the endowment pool of the Foundation as agreed upon with the owner(s) of the asset(s).

#### **Investments held for split-interest agreements and beneficial interest in split-interest agreements:**

The Foundation receives unconditional contributions in the form of charitable gift annuities and charitable remainder unitrusts, for which the Foundation acts as trustee and holds the assets. The value of the asset is based on the fair value of the underlying trust investments. When the trust's obligations to all beneficiaries expire, the remaining assets revert to the Foundation to be used according to the donor's wishes.

Contributions received in the form of irrevocable split-interest agreements (charitable gift annuities and charitable trusts) which the Foundation does not hold the assets are recorded as contribution support at the present value of amounts expected to transfer to the Foundation at the estimated date of death of the current beneficiaries, which is estimated using Internal Revenue Service mortality tables and discount rates commensurate with the risks involved, ranging from 1.2% to 6.2%. Any subsequent changes in the value of the split-interest obligations are recorded as a change in value of split-interest obligations in the consolidated statements of activities.

During the life of the beneficiary or for the specified period of time, the Foundation pays the donor, or other specified parties, amounts as determined in the donor agreement. Upon fulfillment of the beneficiary payments or termination of the trust, the remaining assets are available to the Foundation to be used according to the donor's wishes.

Amortization of the related discount and revaluation of expected cash flows are recognized as changes in the value of split-interest agreements in the year in which they occur. The change in valuation of split-interest agreements was \$(218,552) and \$(133,012) for fiscal years ended June 30, 2025 and 2024, respectively.

The Foundation recognizes a liability for the portion of the proceeds under the split-interest agreements to be paid to beneficiaries under the terms of the agreements. The estimated liabilities' expected terms are based on IRA actuarial tables and discount rates. The discount rates used to compute the present value of these liabilities are the original discount rates used at the time of the gift under Internal Revenue Code (IRC) Section 75206(a) and ranged from 1.2% to 6.2%.

**Investments in real estate:** Investments in real estate properties are stated at fair value in accordance with TDC's valuation policy, as amended from time to time; accordingly, TDC does not record depreciation.

The fair values of real estate investments are estimated based on the most probable price for which a property will sell in a competitive market under all conditions requisite to a fair sale. Determination of fair value involves judgment because the actual market value of real estate can be determined only by negotiation between the parties in a sales transaction.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

TDC intends that the overarching principle when valuing its real estate investments will be to produce a valuation that represents a fair and accurate estimate of the fair value of its investments. Implicit in TDC's definition of fair value is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Property values are affected by, among other things, the availability of capital, occupancy rates, rental rates and interest and inflation rates. As a result, determining real estate and investment values involves many assumptions. Key inputs and assumptions include rental income and expense amounts, related rental income and expense growth rates, discount rates and capitalization rates. Valuation techniques include discounted cash flow analysis, prevailing market capitalization rates, analysis of recent comparable sales transactions, actual sale negotiations and bona fide purchase offers received from third parties. Amounts ultimately realized from each investment may vary significantly from the fair value presented.

Real estate investments owned by TDC are initially valued at its purchase price plus closing costs or the fair value of the property if contributed by a member. Rehabilitation costs and major renovations are capitalized as a component of cost and routine maintenance and repairs are charged to expense as incurred. The fair value of real estate investments does not reflect transaction costs, which may be incurred upon disposition of the real estate investment.

**Functional allocation of expenses:** The Foundation expends certain funds considered as general and administrative in nature. These funds are either on behalf of UMCP or its related programs and supporting activities or for the Foundation's business operations and have been classified as such. The costs of providing the Foundation's programs and activities have been summarized on a functional basis in the consolidated statements of activities.

**Administrative fees:** Foundation management designates investments from all net asset classes into operating and endowment categories. Administrative fees are charged by the Foundation to cover operating expenses as follows, depending on the type of investment portfolio into which the assets are placed:

**Investments—operating and endowment:** The Foundation's operating accounts are not assessed charges to fund the operating budget. Instead, to cover the operating budget and other financial obligations of the Foundation, the Foundation retains all investment earnings on operating funds.

The FY25 administrative fee was assessed to endowments at a rate of 1.1% of the market value of assets managed. If an individual endowment account is underwater (cumulative cash contributions exceed market value) at the spendable income valuation date, no fee is assessed by the Foundation.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Management fees:** USMF: On February 10, 2025, a Funds Management Agreement with USMF was executed, which replaced all previous agreements. This agreement will remain in effect until June 30, 2029. The agreement states that USMF charges a quarterly fee on the market value of funds as of the end of previous quarter as follows:

- 30 basis points for investment balance less than \$350 million.
- 27.5 basis points for investment balance between \$350 million to \$500 million.
- 25 basis points for amounts over \$500 million.

Professional investment fees are deducted by the investment manager prior to the distribution of income. The management fee charged to the endowments by USMF of \$2,008,750 and \$1,868,941 for the years ended June 30, 2025 and 2024, respectively, is included in investment income, net of fees in the consolidated statements of activities.

**Mercer:** On March 1, 2024, a Discretionary Investment Management Agreement with Mercer was executed and will remain in effect until terminated by either party. The agreement states that Mercer charges a quarterly fee on the market value of funds as of the end of previous quarter as follows:

- 25 basis points on first \$25 million
- 10 basis points on next \$25 million
- 9 basis points on next \$50 million
- 8 basis points on first \$150 million
- 6 basis points on next \$250 million
- 3 basis points on over \$500 million

Professional investment fees are deducted by the investment manager prior to the distribution of income. The management fee charged to the endowments by Mercer of \$49,366 and \$0 for the years ended June 30, 2025 and 2024, respectively, is included in investment income, net of fees in the consolidated statements of activities.

**Valuation of long-lived assets:** Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less cost to sell.

**Property and equipment:** Property and equipment are recorded at cost, less accumulated depreciation and are depreciated using the straight-line method over the estimated useful lives. Expenditures of major repairs and improvements, which either add to the value or materially prolong the estimated useful life of a property, are capitalized. Expenditures of minor repairs and maintenance costs are expensed when incurred.

**Classification of gifts:** The Foundation reports unconditional gifts of cash and other assets as restricted support held in separate accounts if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to support without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Estimates:** The preparation of the consolidated financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

**Income taxes:** The Foundation is organized and operated exclusively for charitable and educational purposes within the meaning of the provisions of Section 501(c)(3) of the IRC and has been determined to not be a private foundation. Since the Foundation had no material net unrelated business income for the years ended June 30, 2025 and 2024, no provision for income taxes has been made. TDC has elected to be treated as a pass-through entity for income tax purposes and all taxable items flow through to its members.

The FASB issued guidance on accounting for uncertainty in income taxes which clarifies the accounting for uncertainty of income tax positions. This guidance defines the threshold for recognizing tax return positions in the consolidated financial statements as more likely than not that the position is sustainable, based on its technical merits. This guidance also provides guidance on the measurement, classification and disclosure of tax return positions in the consolidated financial statements. No asset or liability has been recorded as of June 30, 2025 and 2024, for uncertain tax positions.

**Estate gifts:** The Foundation is the beneficiary under various wills and other agreements, the total realizable amounts of which are not presently determinable. The Foundation's share of such amounts is not recorded until the Foundation has an irrevocable right to the bequest and the proceeds are measurable.

**Terrapin Development Company (TDC) consolidation:** On January 23, 2017, TDC was formed as a limited liability company under the laws of the state of Maryland. On July 1, 2017, an Amended and Restated Operating Agreement was then signed transferring control of this master limited liability company to TDC. As the Foundation has a controlling interest in TDC as of June 30, 2025 and 2024, it follows the guidance outlined in ASC 958-810 for consolidation. The Foundation's ownership percentage in TDC was 74.49% and 74.49% at June 30, 2025 and 2024, respectively.

**Investment in subsidiary:** On April 29, 2019, Property V LLC entered into an agreement to form a Joint Venture and Agreement of Sale (the Agreement) with a third party related to the future development of the real estate held by Property V LLC. Pursuant to the agreement, Property V LLC will sell the real estate and improvements to the planned joint venture for \$7,000,000, plus reimbursement of costs incurred of \$1,000,000, which will be paid in installments. On March 27, 2020, the real estate and improvements were sold to College Park JV, LLC for a sales price of \$7,000,000. In conjunction with the sale, Property V LLC obtained an 11.3% interest in JV Holdings through its wholly owned subsidiary, Southern Gateway. The sale was accounted for as an exchange of the owned real estate asset for the equity interest; therefore, no gain or loss was recognized.

Southern Gateway's committed capital contribution to JV Holdings is \$6,930,000 and is fully funded.

JV Holdings completed development as of June 30, 2024, and, therefore, there were no earnings to be allocated to Southern Gateway.

**Subsequent events:** The Foundation has evaluated subsequent events through October 24, 2025, the date on which the consolidated financial statements were available to be issued.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### **Note 2. Fair Value Measurements and Investments**

FASB ASC 820, Fair Value Measurement, defines fair value, requires disclosures about fair value measurements, and establishes a three-level hierarchy for fair value measurements based on the inputs to the valuations of an asset or liability at the measurement date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following three-level hierarchy classifies the inputs used to determine fair value:

**Level 1:** Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments included in this category include listed equities and listed mutual funds.

**Level 2:** Pricing inputs include market data which is readily available, regularly distributed or updated, reliable, verifiable, not proprietary, and provided by multiple, independent sources that are actively involved in the relevant market. Investments which are generally included in this category include less liquid and restricted equity securities and fixed income securities.

**Level 3:** Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgment or estimation. Investments that are included in this category generally include investments in private equity and investment funds as well as offshore hedge funds. In addition, the Foundation depends on USMF's investment office and the general partner or the investment manager of the investment for pricing information. In general, the investment funds and partnerships that are within Level 3 are subject to annual audits.

An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes observable requires significant judgment on the part of UMCPF. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the perceived risk of that investment.

Some of the Foundation's investments may be illiquid and the Foundation may not be able to vary the portfolio in response to changes in economic and other market conditions. Some of the investments that are purchased and sold are traded in private, unregistered transactions and are, therefore, subject to restrictions on resale or otherwise have no established trading market. In addition, if the Foundation is required to liquidate all or a portion of its portfolio quickly, the Foundation may realize significantly less than the value at which it previously recorded those investments.

The University of Maryland College Park Foundation, Inc. and Subsidiary

Notes to Consolidated Financial Statements

**Note 2. Fair Value Measurements and Investments (Continued)**

The following table presents the financial investments carried at fair value as of June 30, 2025 and 2024, by the fair value hierarchy defined above:

<i>(in thousands)</i>	2025			Total Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Assets:</b>				
Short-term investments:				
Mutual funds	\$ 118,586	\$ -	\$ -	\$ 118,586
Long-term investments:				
Investment in special strategies	-	-	864,931	864,931
Investments held for split-interest agreements	3,450	-	-	3,450
Total investments at fair value	122,036	-	864,931	986,967
Real estate held by TDC	-	-	70,239	70,239
Beneficial interest in split-interest agreements	-	-	1,178	1,178
Total assets at fair value	\$ 122,036	\$ -	\$ 936,348	\$ 1,058,384
	2024			Total Fair Value
<i>(in thousands)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Assets:</b>				
Short-term investments				
Mutual funds	\$ 137,130	\$ -	\$ -	\$ 137,130
Long-term investments:				
Investment in special strategies—USMF	-	-	741,809	741,809
Investments held for split-interest agreements	3,277	-	-	3,277
Total investments at fair value	140,407	-	741,809	882,216
Real estate held by TDC	-	-	67,024	67,024
Beneficial interest in split-interest agreements	-	-	1,197	1,197
Total assets at fair value	\$ 140,407	\$ -	\$ 810,030	\$ 950,437

Investments in special strategies are invested by USMF on behalf of UMCPF in a unitized portfolio, which utilizes an array of different investment strategies. The Foundation invests in the unitized portfolio to benefit from economies of scale to gain access to the underlying investment strategies. The Foundation has a unitized ownership interest in this diversified portfolio and does not have direct ownership of the underlying investments in the portfolio. USMF has not classified itself as an investment company. The investment in special strategies-USMF is presented as Level 3 in the fair value hierarchy as the portfolio does not trade in an active market, pricing inputs are unobservable and the portfolio is subject to certain redemption restrictions consistent with those of the underlying investments in the portfolio.

**The University of Maryland College Park Foundation, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**Note 2. Fair Value Measurements and Investments (Continued)**

Investment income, net of fees and management fees appropriated from investments consists of the following for the years ended June 30, 2025 and 2024:

<i>(in thousands)</i>	2025	2024
Realized and unrealized gains	\$ 58,933	\$ 51,883
Interest and dividends	18,727	19,157
Investment fees	(10,442)	(8,863)
Total investment income, net of fees	<u>\$ 67,218</u>	<u>\$ 62,177</u>
Management fees appropriated from investments	<u>\$ 7,670</u>	<u>\$ 6,506</u>

**Note 3. Real Estate Holdings and Property**

Real estate holdings and property and accumulated depreciation consist of the following at June 30, 2025 and 2024:

<i>(in thousands)</i>	2025	2024
Land UMCPF	\$ 1,446	\$ 1,446
Basketball Performance Center	35,386	11,536
Artwork UMCPF	100	100
Subtotal	<u>36,932</u>	<u>13,082</u>
Less accumulated depreciation	(296)	(270)
Total UMCPF	<u>\$ 36,636</u>	<u>\$ 12,812</u>

**Note 4. Contributions Receivable**

As of June 30, 2025 and 2024, contributors have unconditionally promised to give \$115,061,392 and \$112,295,763, respectively, to the Foundation. Promised contributions are due as follows as of June 30, 2025 and 2024:

<i>(in thousands)</i>	2025	2024
Due within one year	\$ 80,142	\$ 55,263
Due within two to five years	39,569	63,267
More than five years	5,418	1,738
	<u>125,129</u>	<u>120,268</u>
Less allowance for doubtful accounts	(3,646)	(2,752)
Less discount to present value	(6,421)	(5,220)
Total contributions receivable, net	<u>\$ 115,062</u>	<u>\$ 112,296</u>

**The University of Maryland College Park Foundation, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**Note 4. Contributions Receivable (Continued)**

The discount rate used to calculate the present value component of new pledges during the years ended June 30, 2025 and 2024, was 5.94% and 6.91%, respectively, for those contributions due in zero to five years and for contributions due in more than five years, the discount rate used to calculate the present value component of new pledges during the years ended June 30, 2025 and 2024, was 7.50% and 8.50%, respectively.

At June 30, 2025 and 2024, the Foundation had outstanding conditional contributions of \$0 and \$8,950,741, respectively.

**Note 5. Endowments**

The Foundation's endowment consists of over 1,800 individual accounts established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowment funds. The net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

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

Endowment net asset composition by type of fund as of June 30, 2025 and 2024, is noted below:

<i>(in thousands)</i>	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ 249	\$ 915,593	\$ 915,842
Total endowment funds	\$ 249	\$ 915,593	\$ 915,842

  

<i>(in thousands)</i>	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ 249	\$ 830,256	\$ 830,505
Total endowment funds	\$ 249	\$ 830,256	\$ 830,505

**The University of Maryland College Park Foundation, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**Note 5. Endowments (Continued)**

Changes in endowment net assets for the years ended June 30, 2025 and 2024, are as follows:

<i>(in thousands)</i>	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 249	\$ 830,256	\$ 830,505
Investment return	-	51,389	51,389
Gifts	-	58,417	58,417
Appropriation of endowment assets for expenditure	-	(24,469)	(24,469)
Endowment net assets, end of year	<u>\$ 249</u>	<u>\$ 915,593</u>	<u>\$ 915,842</u>

  

<i>(in thousands)</i>	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 249	\$ 720,144	\$ 720,393
Investment return	-	51,511	51,511
Gifts	-	78,047	78,047
Appropriation of endowment assets for expenditure	-	(19,446)	(19,446)
Endowment net assets, end of year	<u>\$ 249</u>	<u>\$ 830,256</u>	<u>\$ 830,505</u>

**Note 6. Donor Restricted Net Assets—Endowment Funds**

The portion of endowment funds that is required to be retained either by explicit donor stipulation or by UPMIFA as of June 30, 2025 and 2024, is as follows:

<i>(in thousands)</i>	2025	2024
Academic programs	\$ 410,631	\$ 413,444
Scholarship/fellowship	295,036	292,318
University advancement	111,275	103,584
Student support	17,942	14,067
Facility and advancement	6,202	6,798
Research	10,734	10,263
Athletics	872	737
Time restricted	62,901	-
	<u>\$ 915,593</u>	<u>\$ 841,211</u>

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 6. Donor Restricted Net Assets—Endowment Funds (Continued)

**Underwater endowment funds:** From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. At year-end for fiscal year 2025 and 2024, no individual endowments had market values below their respective donated principal balances (donated principal or corpus).

**Return objectives and risk parameters:** The Foundation has adopted investment and spending policies for the endowment that seek to provide a steady and sustainable distribution of funds to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets.

#### Note 7. Spending Policy and Relationship of Spending Policy to Investment Objectives

The Foundation has a spending rate rule for its investments held for endowment in order to preserve purchasing power of the assets, to protect against erosion of nominal principal, and to promote stability and predictability of annual budgeting. The spending rate determines the amount to be distributed for current spending.

The spending policy governs the calculation of the annual spending amount:

- a. Spendable income is calculated on a fiscal year basis in the fall in advance of the new fiscal year and is available for use as of July 1.
- b. Spendable income is calculated based on the average of the market values of the last twelve quarters multiplied by the rate as determined annually by the Board of Trustees. The most current market value to be used in calculating the average is 09/30 (the calculation date). As of the calculation date, the endowment must be fully funded and have sufficient earnings to provide for both spendable income and annual fees. If the endowment does not meet these criteria, all earnings remaining after the deduction of fees will be distributed.
- c. Endowed funds whose market value as of the calculation date is at or less than the corpus value, i.e., underwater shall not receive any spendable income without written donor consent until such time the market value as of the calculation date exceeds the corpus value.

#### Note 8. Restricted Net Asset Activity

**Donor-restricted net assets:** Net assets with donor restrictions are restricted for the following purposes at June 30, 2025 and 2024:

<i>(in thousands)</i>	2025	2024
Academic programs	\$ 463,627	\$ 430,881
Scholarship/fellowship	319,756	287,543
University advancement	159,223	171,233
Research	41,113	36,687
Student support	28,176	25,434
Facility advancement	41,566	36,755
Athletics	8,059	7,348
Time restricted	111,453	112,290
	<u>\$ 1,172,973</u>	<u>\$ 1,108,171</u>

**The University of Maryland College Park Foundation, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**Note 8. Restricted Net Asset Activity (Continued)**

**Net assets released from restrictions:** Net assets were released from donor restrictions when expenses were incurred to satisfy the restricted purposes or by occurrence of other events as specified by donors. Expenditures on donor-restricted funds are released out of the appreciation related to those funds to the extent allowed by the donors. Such net assets were released as follows during the years ended June 30, 2025 and 2024:

<i>(in thousands)</i>	2025	2024
Facility advancement	\$ 2,504	\$ 2,110
Academic programs	19,720	17,471
Scholarship/fellowship	12,884	13,210
University advancement	47,667	9,364
Athletics	7,881	3,740
Research	2,112	1,982
Student support	2,442	1,767
	<u>\$ 95,210</u>	<u>\$ 49,644</u>

**Note 9. Loan Receivables**

On May 21, 2021, the Foundation entered into a loan agreement with The University of Maryland Alumni Association, Inc. (borrower) in the amount of \$6,641,859. An officer of the borrower is also an officer at the Foundation and the president of the Foundation is on the Board of Governors of the borrower. Payments commenced on June 1, 2021, and are due on the first day of every month thereafter, until and including May 1, 2061. The loan shall bear interest at a fixed rate of 3.00% per annum. As of June 30, 2025 and 2024, no allowance was deemed required on this loan. There is no collateral on the loan. Future loan receivable payments for the next five years through 2030 and thereafter for the above note receivable are as follows:

<i>(in thousands)</i>	
Years ending June 30:	
2026	\$ 99
2027	102
2028	105
2029	108
2030	111
Thereafter	5,744
Total loan receivable payments	<u>\$ 6,269</u>

**Note 10. Liquidity and Availability**

The Foundation manages its investment pool to ensure liquidity is sufficient to meet its spending needs. The portfolio's allocation to public risk assets provides market exposure and the liquidity needed to support recurring program expenditures as they become due. Liquidity is managed through the construct of the investment policy highlighted in Note 7.

**The University of Maryland College Park Foundation, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**Note 10. Liquidity and Availability (Continued)**

Funds available at June 30, 2025 and 2024, to meet general expenditures within one year are as follows:

<i>(in thousands)</i>	2025	2024
Cash and cash equivalents	\$ 41,147	\$ 109,872
Contributions receivable	115,062	112,296
Short-term investments	118,586	137,130
Endowment investments	864,931	741,809
Investments held for split-interest agreements	3,450	3,277
Loan receivables	6,268	6,364
TDC—investment property and other assets	70,849	67,643
Real estate holdings and property, net	36,636	12,812
Split-interest agreements	1,178	1,196
Total financial assets, at year-end	1,258,107	1,192,399
Less those unavailable for general expenditures within one year:		
Net assets with donor restrictions	(1,172,973)	(1,108,171)
Contributions receivable not expected to be collected in next year	(37,155)	(58,491)
Loan receivable not expected to be collected in next 12 months	(6,169)	(6,268)
TDC—investment property and other assets	(70,849)	(67,643)
Real estate holdings and property, net	(36,636)	(12,812)
Split-interest agreements	(1,178)	(1,197)
Financial assets available to meet general expenditures over the next 12 months	\$ (66,853)	\$ (62,183)

**Note 11. Leases**

TDC has approximately 10,425 square feet of retail space available for lease, as well as two ground leases for land. The leases provide for terms ranging generally from five to 10 years and generally provide for additional rents based on reimbursement of certain operating expenses. The ground leases also require annual percentage rent as defined within the lease agreements.

On October 1, 2021, TDC closed on the ground lease transaction with Greystar by executing a 75-year ground lease agreement and received \$4,475,000 of upfront ground lease payments, which were reduced by \$420,309 of cost reimbursements, and \$1,000,000 in ground lease option payments. The ground lease payments are being recognized over the estimated three-year construction term, beginning on September 28, 2021. During the years ended June 30, 2025 and 2024, \$2,093,328 and \$3,326,868, respectively, of upfront ground lease payments have been recognized as revenue by TDC and \$0 and \$2,093,382, respectively, is included in TDC—liabilities on the consolidated statements of financial position.

## The University of Maryland College Park Foundation, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 11. Leases (Continued)

Future minimum rental receipts for the next five years through 2030 and thereafter are as follows:

*(in thousands)*

Years ending June 30:		
2026	\$	986
2027		1,003
2028		1,011
2029		998
2030		975
Thereafter		57,015
	\$	<u>61,988</u>

#### Note 12. Related-Party Transactions

Various members of the Foundation may also be members of the Board of Trustees of the investment manager, USMF.

The Foundation has no employees. The University tracks and administers all payroll and fringe benefit costs for its employees who substantially support the Foundation. The Foundation reimburses the University for the salary and benefit costs on an annual basis, estimating the salary costs of individuals devoting effort to the Foundation, and applying a 36% and 37%, respectively, fringe rate in addition to the salary costs for the fiscal years ended June 30, 2025 and 2024. The reimbursed salary and benefit expenses totaled \$2,021,365 and \$1,863,150 for the years ended June 30, 2025 and 2024.

The Foundation supports commitments for fund raising expenses of the University, as per the affiliation agreement with UMCP. The amount paid by the Foundation to the University was \$0 and \$1,574,747, respectively, for the fiscal years ended June 30, 2025 and 2024.

The Foundation receives significant support in the form of contributions from Board members.

See Note 9 for an additional related-party transaction.

#### Note 13. Charitable Gift Annuity Requirements

As required by the state of Maryland, the Foundation internally reserves cash and investments associated with annuity liabilities of \$2,083,436, and \$2,108,778 as of June 30, 2025 and 2024, respectively.

#### Note 14. Commitments and Contingencies

During the course of its operations, the Foundation may be exposed to various forms of litigations, claims and assessments. As of June 30, 2025 and 2024, management was not aware of any matters that could have a material effect on its financial position, change in net assets or cash flows.

**The University of Maryland College Park Foundation, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**Note 14. Commitments and Contingencies (Continued)**

On April 29, 2021, the Foundation entered into a revolving line of credit agreement with Capital One, National Association in the amount of \$10,000,000. The line bears interest at one-month London Interbank Offered Rate plus 1.50%. Under terms of the line of credit, the Foundation must comply with usual and customary covenants including but not limited to limitations on additional debt without prior written consent of the Bank, and no merger or change of control without the Bank's prior written approval. On April 24, 2024, an amendment was executed to renew the revolving line of credit in the amount of \$15,000,000. There were no borrowings against the line as of June 30, 2024. The decision was made by the Foundation to allow the line of credit to expire in FY25. Per the terms of the April 2024 amendment the line of credit expired on April 30, 2025.

**Note 15. Functional Expenses**

The Foundation reports expenses as program and general and administrative. Expenses are allocated on a reasonable basis that is consistently applied. The following are functional expenses for the years ended June 30, 2025 and 2024:

- **Program:** These expenses relate to various programs to promote the interest of the individual colleges/schools, to support activities and facilities of the buildings, to aid with the various costs associated with maintaining and improving different departments, to award student scholarships, to fund the purchases of equipment needed for the different campus fields of studies, and to support the athletics programs.
- **General and administrative:** These expenses relate to the day-to-day operation of the administrative and accounting offices of the organization.

An analysis of expenses by functional and natural basis consists of the following as of June 30, 2025 and 2024:

<i>(in thousands)</i>	2025		
	Program	General and Administrative	Total
Transfer to UMCP	\$ 90,385	\$ -	\$ 90,385
UMCP construction projects	-	-	-
Reimbursement to UMCP	-	2,036	2,036
Public relations and promotion	2,656	207	2,863
Other expenses	2,166	576	2,742
Office expenses	1,183	12	1,195
Occupancy	268	71	339
IT expenses	449	59	508
Fees for services	5,709	681	6,390
Depreciation	-	25	25
Total	<u>\$ 102,816</u>	<u>\$ 3,667</u>	<u>\$ 106,483</u>

The University of Maryland College Park Foundation, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 15. Functional Expenses (Continued)

<i>(in thousands)</i>	2024		
	Program	General and Administrative	Total
Transfer to UMCP	\$ 50,016	\$ -	\$ 50,016
UMCP construction projects	839	-	839
Reimbursement to UMCP	-	1,863	1,863
Public relations and promotion	2,720	185	2,905
Other expenses	1,761	612	2,373
Office expenses	1,265	26	1,291
Occupancy	100	38	138
IT expenses	407	73	480
Fees for services	4,175	1,075	5,250
Depreciation	-	25	25
Total	\$ 61,283	\$ 3,897	\$ 65,180

Note 16. Subsequent Events

The University of Maryland College Park Foundation and the University of Maryland, College Park (UMD), acting through the Department of Planning & Construction for project management services, constructed the Barry P. Gossett Basketball Performance Center (Performance Center). Construction was completed in July 2025, and the Performance Center was transferred from the Foundation to UMD effective October 2, 2025.