

Elizabeth Glaser Pediatric AIDS Foundation

Financial Statements
Years Ended December 31, 2024 and 2023

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



Elizabeth Glaser Pediatric AIDS Foundation

Financial Statements
Years Ended December 31, 2024 and 2023

Elizabeth Glaser Pediatric AIDS Foundation

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Tel: 703-893-0600
Fax: 703-893-2766
www.bdo.com

8401 Greensboro Drive, Suite 800
McLean, VA 22102

Independent Auditor's Report

The Board of Directors
Elizabeth Glaser Pediatrics AIDS Foundation
Washington, D.C.

Opinion

We have audited the financial statements of the **Elizabeth Glaser Pediatric AIDS Foundation** (the Foundation), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **Elizabeth Glaser Pediatric AIDS 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 (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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

BDO USA, P.C.

August 18, 2025

Financial Statements

Elizabeth Glaser Pediatric AIDS Foundation

Statements of Financial Position

<i>December 31,</i>	2024	2023
Assets		
Cash and cash equivalents	\$ 5,390,293	\$ 5,464,347
Cash held at foreign offices	2,187,355	1,703,109
Investments	8,943,361	8,256,578
Due from government agencies	1,888,821	276,853
Contributions receivable	276,930	249,376
Grants and contracts receivable	7,075,142	12,453,471
Charitable remainder trust contribution receivables	228,617	222,938
Prepaid expenses and other assets	3,974,398	4,729,747
Property and equipment, net	753,598	910,261
Operating lease right of use asset, net	7,019,710	7,388,504
Total Assets	\$ 37,738,225	\$ 41,655,184
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 10,209,167	\$ 14,688,969
Grants payable - federal	42,495	-
Due to government agencies	10,784,867	9,190,353
Operating lease payable	8,091,666	8,342,518
Total Liabilities	29,128,195	32,221,840
Net Assets		
Without donor restrictions	8,094,767	8,621,928
With donor restrictions	515,263	811,416
Total Net Assets	8,610,030	9,433,344
Total Liabilities and Net Assets	\$ 37,738,225	\$ 41,655,184

See accompanying notes to financial statements.

Elizabeth Glaser Pediatric AIDS Foundation

Statement of Activities

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support, Revenue and Other Income			
Contributions	\$ 2,077,670	\$ -	\$ 2,077,670
Non-U.S. government grant revenue	7,481,478	-	7,481,478
U.S. government grant revenue	128,182,404	-	128,182,404
Investment return, net	841,330	-	841,330
Change in beneficial interest	-	6,349	6,349
Contributed goods and services	-	-	-
Net assets released from restrictions	302,502	(302,502)	-
Total Public Support, Revenue and Other Income	138,885,384	(296,153)	138,589,231
Expenses			
Program services:			
Program implementation	117,567,782	-	117,567,782
Research	2,502,555	-	2,502,555
Communications	1,838,155	-	1,838,155
Public policy	1,572,306	-	1,572,306
Total Program Services	123,480,798	-	123,480,798
Supporting services:			
Management and general	12,682,491	-	12,682,491
New business development	2,825,498	-	2,825,498
Fund-raising	1,034,666	-	1,034,666
Total Supporting Services	16,542,655	-	16,542,655
Total Expenses	140,023,453	-	140,023,453
Change in Net Assets from Operations	(1,138,069)	(296,153)	(1,434,222)
Foreign Currency Translation Adjustment	610,908	-	610,908
Changes in Net Assets	(527,161)	(296,153)	(823,314)
Net Assets, beginning of year	8,621,928	811,416	9,433,344
Net Assets, end of year	\$ 8,094,767	\$ 515,263	\$ 8,610,030

See accompanying notes to financial statements.

Elizabeth Glaser Pediatric AIDS Foundation

Statement of Activities

Year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support, Revenue and Other Income			
Contributions	\$ 1,532,953	\$ -	\$ 1,532,953
Non-U.S. government grant revenue	14,906,521	-	14,906,521
U.S. government grant revenue	145,433,409	-	145,433,409
Investment return, net	877,562	-	877,562
Change in beneficial interest	-	9,036	9,036
Contributed goods and services	193,941	-	193,941
Net assets released from restrictions	260,144	(260,144)	-
Total Public Support, Revenue and Other Income	163,204,530	(251,108)	162,953,422
Expenses			
Program services:			
Program implementation	139,355,292	-	139,355,292
Research	2,576,448	-	2,576,448
Communications	2,377,632	-	2,377,632
Public policy	1,647,872	-	1,647,872
Total Program Services	145,957,244	-	145,957,244
Supporting services:			
Management and general	13,533,959	-	13,533,959
New business development	2,085,178	-	2,085,178
Fund-raising	1,133,256	-	1,133,256
Total Supporting Services	16,752,393	-	16,752,393
Total Expenses	162,709,637	-	162,709,637
Changes in Net Assets from Operations	494,893	(251,108)	243,785
Foreign Currency Translation Adjustment	250,900	-	250,900
Changes in Net Assets	745,793	(251,108)	494,685
Net Assets, beginning of year	7,876,135	1,062,524	8,938,659
Net Assets, end of year	\$ 8,621,928	\$ 811,416	\$ 9,433,344

See accompanying notes to financial statements.

Elizabeth Glaser Pediatric AIDS Foundation

Statement of Functional Expenses

Year ended December 31, 2024

	Program Services					Supporting Services				
	Program Implementation	Research	Communications	Public Policy	Total Program Services	Management and General	New Business Development	Fund-raising	Total Supporting Services	Total Expenses
Salary	\$ 49,283,082	\$ 1,369,058	\$ 1,045,604	\$ 979,750	\$ 52,677,494	\$ 6,702,180	\$ 2,044,543	\$ 701,024	\$ 9,447,747	\$ 62,125,241
Fringe benefits	10,974,471	371,439	293,588	224,162	11,863,660	1,556,481	539,566	186,557	2,282,604	14,146,264
Travel	4,790,552	86,156	48,484	64,065	4,989,257	135,414	103,012	14,846	253,272	5,242,529
Equipment, hardware, and software	1,766,205	12,534	44,778	17,051	1,840,568	1,366,173	1,160	12,695	1,380,028	3,220,596
General office supplies	4,921,466	9	-	140	4,921,615	45	-	-	45	4,921,660
Medical supplies and equipment	1,213,324	-	-	-	1,213,324	-	-	-	-	1,213,324
Contract and professional services	10,769,241	424,557	339,762	159,164	11,692,724	1,142,195	112,348	70,056	1,324,599	13,017,323
Sub-agreements to implementing partners	20,502,392	147,094	-	-	20,649,486	-	-	-	-	20,649,486
Office expenses	5,129,139	56,726	26,423	35,112	5,247,400	656,221	10,478	37,826	704,525	5,951,925
Telecommunications	1,192,245	5,891	22,545	21,284	1,241,965	81,286	1,795	-	83,081	1,325,046
Depreciation and amortization	98,292	-	-	-	98,292	140,448	-	-	140,448	238,740
Rent and utilities	2,013,397	23,776	716	23,632	2,061,521	758,616	2,603	-	761,219	2,822,740
Bank and merchant fees	383,618	234	115	(1,139)	382,828	107,971	525	4,855	113,351	496,179
Employee development and training	188,252	4,556	16,140	36,709	245,657	34,536	3,401	1,349	39,286	284,943
Training programs for implementing partners	4,292,010	525	-	3,839	4,296,374	34	6,067	-	6,101	4,302,475
Special event expenses	96	-	-	8,537	8,633	891	-	5,458	6,349	14,982
Contributed goods and services	-	-	-	-	-	-	-	-	-	-
Other	50,000	-	-	-	50,000	-	-	-	-	50,000
Total Expenses	\$ 117,567,782	\$ 2,502,555	\$ 1,838,155	\$ 1,572,306	\$ 123,480,798	\$ 12,682,491	\$ 2,825,498	\$ 1,034,666	\$ 16,542,655	\$ 140,023,453

See accompanying notes to financial statements.

Elizabeth Glaser Pediatric AIDS Foundation

Statement of Functional Expenses

Year ended December 31, 2023

	Program Services					Supporting Services					Total Expenses
	Program Implementation	Research	Communications	Public Policy	Total Program Services	Management and General	New Business Development	Fund-raising	Total Supporting Services		
Salary	\$ 58,567,090	\$ 1,466,156	\$ 1,362,818	\$ 826,043	\$ 62,222,107	\$ 7,109,886	\$ 1,459,967	\$ 710,986	\$ 9,280,839	\$ 71,502,946	
Fringe benefits	14,817,199	354,221	449,594	190,846	15,811,860	1,686,877	368,368	179,184	2,234,429	18,046,289	
Travel	6,007,757	125,197	107,826	146,504	6,387,284	266,798	49,675	16,282	332,755	6,720,039	
Equipment, hardware, and software	1,817,480	20,678	4,354	13,540	1,856,052	581,090	1,180	7,428	589,698	2,445,750	
General office supplies	5,111,949	-	-	-	5,111,949	2	59	-	61	5,112,010	
Medical supplies and equipment	999,749	-	-	-	999,749	-	-	-	-	999,749	
Contract and professional services	14,718,675	478,850	308,719	270,602	15,776,846	1,129,292	115,875	74,738	1,319,905	17,096,751	
Sub-agreements to implementing partners	19,947,937	52,413	-	15,046	20,015,396	-	-	-	-	20,015,396	
Office expenses	6,207,455	35,775	60,591	85,629	6,389,450	1,740,232	73,694	85,442	1,899,368	8,288,818	
Telecommunications	1,443,890	5,399	7,726	6,852	1,463,867	126,440	1,683	-	128,123	1,591,990	
Depreciation and amortization	-	-	-	-	-	35,112	-	-	35,112	35,112	
Rent and utilities	2,290,778	18,989	1,476	19,392	2,330,635	760,084	2,630	-	762,714	3,093,349	
Bank and merchant fees	614,070	625	251	1,560	616,506	57,493	504	6,119	64,116	680,622	
Employee development and training	106,339	3,213	4,233	2,513	116,298	26,996	10,738	207	37,941	154,239	
Training programs for implementing partners	6,484,791	14,932	70,044	36,534	6,606,301	25	805	-	830	6,607,131	
Special event expenses	1,192	-	-	32,811	34,003	12,061	-	52,870	64,931	98,934	
Contributed goods and services	193,941	-	-	-	193,941	-	-	-	-	193,941	
Other	25,000	-	-	-	25,000	1,571	-	-	1,571	26,571	
Total Expenses	\$ 139,355,292	\$ 2,576,448	\$ 2,377,632	\$ 1,647,872	\$ 145,957,244	\$ 13,533,959	\$ 2,085,178	\$ 1,133,256	\$ 16,752,393	\$ 162,709,637	

See accompanying notes to financial statements.

Elizabeth Glaser Pediatric AIDS Foundation

Statements of Cash Flows

<i>December 31,</i>	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ (823,314)	\$ 494,685
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	238,740	35,112
Net realized and unrealized gains on investments	(562,648)	(629,627)
Change in value of charitable remainder trust contribution receivables	(5,679)	(8,390)
Donated stock	-	(8,334)
Noncash lease expense	368,794	653,080
(Increase) decrease in assets:		
Cash held at foreign offices	(484,246)	(627,867)
Due from government agencies	(1,611,968)	(276,853)
Contribution receivables	(27,554)	399,948
Grants and contracts receivable	5,378,329	(510,041)
Prepaid expenses and other assets	755,349	1,038,495
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(4,479,802)	902,088
Grants payable - federal	42,495	(21,381)
Due to government agencies	1,594,514	5,075,758
Refundable advances - non-U.S. government grants	-	(6,888,099)
Principal reduction in operating lease liabilities	(250,852)	(267,454)
Net Cash Provided by (Used in) Operating Activities	132,158	(638,880)
Cash Flows from Investing Activities		
Purchases of property and equipment	(82,077)	(674,268)
Purchases of investments	(1,617,812)	(1,216,387)
Proceeds from sale of investments	1,493,677	990,961
Net Cash Used in Investing Activities	(206,212)	(899,694)
Net Decrease in Cash and Cash Equivalents	(74,054)	(1,538,574)
Cash and Cash Equivalents, beginning of year	5,464,347	7,002,921
Cash and Cash Equivalents, end of year	\$ 5,390,293	\$ 5,464,347

See accompanying notes to financial statements.

Elizabeth Glaser Pediatric AIDS Foundation

Notes to Financial Statements

1. Organization

The Elizabeth Glaser Pediatric AIDS Foundation (the Foundation) is a non-profit 501(c)(3) organization established in 1988 whose mission is to prevent pediatric HIV infection and to eradicate pediatric AIDS through research, advocacy, prevention, and treatment programs. Its research programs, advocacy efforts, and international programs are intended to bring dramatic changes to the lives of children worldwide.

The Foundation's financial support is derived through cooperative agreements and contracts with the United States government, and other contributions and grants from other government and multilateral organizations, individuals, corporations, and foundations. The Foundation uses these funds to expand its ability to prevent mother-to-child transmission of HIV through counseling, testing, and preventative treatments in the developing world, and to expand the scope of the project to include care and treatment to mothers and families at many of its sites.

Other program activities include the Foundation's HIV/AIDS research programs to identify, fund, and conduct critical pediatric research leading to better treatments and prevention of HIV infection in infants and children.

2. Summary of Significant Accounting Policies

Use of Estimates

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

Basis of Accounting

The accompanying financial statements of the Foundation are presented in conformity with U.S. GAAP and have been prepared on the accrual basis of accounting, whereby revenue and support are recognized when earned and expenses are recognized when incurred.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an original maturity of three months or less from the date of purchase to be cash equivalents. Substantially all cash equivalents are held in a short-term money market account with a bank.

Cash Held at Foreign Offices

Cash held at foreign offices represents monies held in overseas field offices to be used for operating expenses. These accounts consist of petty cash accounts, U.S. dollar accounts, host country denomination accounts, payroll withholding taxes, reimbursable value-added taxes and travel advances to host country staff.

Elizabeth Glaser Pediatric AIDS Foundation

Notes to Financial Statements

Investments

Investments are recorded at fair value based upon quoted market prices. Donated assets are sold immediately upon receipt and the amount of the sales proceeds received (which are considered a fair measure of the value at the date of the donation) is reported as donated stock.

Financial Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist primarily of checking accounts, certificates of deposits (CD's) and grant receivables. The Foundation maintains these checking accounts and CD's at a high credit-quality institution. Cash and certificates of deposits held at institutions insured by the Federal Deposit Insurance Corporation (FDIC) that exceeded federally insured limits or are not insured by FDIC were \$4,918,123 and \$4,948,916 at December 31, 2024 and 2023, respectively. Credit risk with respect to grant receivables is limited because services are rendered mainly to the federal government and other well-established non-U.S. private and government institutions.

The Foundation has operations in many countries throughout the world, many of which have politically and economically volatile environments. As a result, the Foundation may have financial and operational risks associated with these operations which could negatively impact the Foundation.

Due from Government Agencies

Due from government agencies are amounts that various government agencies owe to the Foundation for expenditures on the Foundation's cooperative agreements that were billed through December 31, 2024 and 2023, respectively, but not paid as of year-end.

Contribution Receivables

Contribution receivables are contributions that donors have pledged to the Foundation but have not provided payment as of December 31, 2024 and 2023.

Grants and Contracts Receivables

Other receivables are made up of grants and contracts receivable and end-of-month unbilled accounts receivables. These receivables are balances owed to the Foundation for services provided to other multi-national donor organizations and various government agencies. End-of-month unbilled receivables relate to expenditures that the Foundation has incurred for grants that were not billed to the relevant donor by the end of the December.

Charitable Remainder Trust Contribution Receivables

Charitable Remainder Trust Contribution Receivables (CRTCR) consists of split-interest agreements and charitable bequests.

Elizabeth Glaser Pediatric AIDS Foundation

Notes to Financial Statements

Split-interest agreements with donors consist solely of beneficial interests in irrevocable remainder trusts. The charitable remainder trusts are included in charitable remainder trust contribution receivable at the present value of the estimated future benefits to be received when the trust assets are distributed. Contribution revenue is recognized at the date the Foundation becomes aware that the trust has become irrevocable. The receivable is adjusted during the term of the trust for the accretion of discounts, revaluation of the present value of the estimated future payments to the current beneficiaries, and changes in life expectancies. The change in split-interest is recorded as contribution revenue. The discount rates used to calculate the present value of the estimated future benefits at December 31, 2024 and 2023, was 4.86% and 4.20%, respectively, and the expected rate of return on trust assets was 4.29%. The change in the value of split-interest agreements recognized for charitable remainder trusts was \$5,679 and \$8,390 for the years ended December 31, 2024 and 2023, respectively, and is recognized as “contributions” within the statement of activities.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets consist of advances to sub-recipients and prepaid expenses provided to vendors to meet or secure future obligations.

Property and Equipment

Property and equipment are stated at cost or fair value at date of donation. As the Foundation does not retain full beneficial ownership of property purchased with federal and/or nonfederal funds for direct program use, these purchases are charged to program expense at the date of acquisition. Purchases of property costing \$5,000 with a useful life of one year or greater and used for indirect purposes are capitalized and depreciated over the estimated useful life of the asset:

Computer and equipment	Three years
Automobile	Five years
Software costs	Five years

Maintenance, repairs, and renewal costs related to property are charged to expense as incurred.

Due to Government Agencies

Due to government agencies are amounts that the Foundation owes to various government agencies for amounts received on the Foundation’s cooperative agreements through December 31, 2024 and 2023, but not expended by the Foundation as of year-end.

Grants Payable

As payments are made to the recipients of unconditional grants, the grants payable balance is reduced. Awards made to other organizations that are conditional in nature are not recorded as expenses until the condition has been satisfied. Payments made in advance to other organizations for which conditions have not yet been satisfied are classified as “prepaid expenses and other assets” in the statements of financial position. As the conditions are satisfied, expenses are recorded in the statements of activities and the “prepaid expenses and other assets” balance is reduced.

Elizabeth Glaser Pediatric AIDS Foundation

Notes to Financial Statements

“Grants payable - federal” are payments due to sub-recipients for programmatic expenses incurred through December 31, 2024 and 2023, respectively.

Basis of Presentation

The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), *2016-14 Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*, whereby the Foundation is required to report information regarding their 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 that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion. The Foundation did not have board designated net assets as of December 31, 2024 or 2023, respectively.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both.

Revenue Recognition

Contributions - Contribution revenue is accounted for under FASB Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08).

Contributions, including unconditional promises to give, are recognized in the period received. Contributions received are considered to be available for use unless specifically restricted by the donor. Amounts received that are designated for a future period or are restricted by the donor for specific purposes are reported as contributions with donor restrictions. These contributions also increase net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Contributions with donor restrictions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as contributions without donor restrictions.

Contributions are reported at fair value, which is net of estimated uncollectible amounts. The Foundation uses the allowance method to determine uncollectible, unconditional pledges receivable. The allowance is based on experience as well as management’s analysis of specific pledges made, including such factors as prior collection history, type of contribution, and nature of fundraising activity. Contributions to be received after one year, are recorded at the present value of the estimated future cash flows. Subsequent changes in this discount resulting from the passage of time are accounted for as contributions in subsequent years.

Elizabeth Glaser Pediatric AIDS Foundation

Notes to Financial Statements

Conditional promises to give, including those received under multi-year grant agreements are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before the Foundation is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise.

Non-U.S. and U.S. Government Grant and Contract Revenue - In accordance with ASU 2018-08, these arrangements constitute contributions since the customer does not receive commensurate value for the consideration received by the Foundation; rather, the purpose of an arrangement is for the benefit of the general public. Therefore, Foundation management concluded that the agreements are conditional due to rights of return/release and barriers to entitlement to funds. Revenue is recognized when the condition is satisfied. Because the nature of conditions is either based on incurring qualifying expenses or satisfying a milestone or other deliverable, the pattern of revenue recognition remained consistent with previous years. In accordance with ASU 2018-08, a refundable advance is recorded when the Foundation receives assets (i.e. cash) in advance of the satisfaction of the conditions within these arrangements. Non-U.S. government grants consist of grants from nongovernmental organizations and from international government agencies. Once expenses have been incurred in accordance with the provisions in the applicable donor agreements, the revenue is recognized. At December 31, 2024 and 2023, the Foundation had remaining available award balances on U.S. government, bilateral, and multilateral grants and contracts for sponsored projects of \$86,993,297 and \$109,868,135, respectively. These award balances are not recognized as assets and will be recognized as revenue as the projects progress and conditions are met, generally as expenses are incurred. In the limited instances the Foundation obtains a contract established as a fee for service, revenue is recorded when the underlying performance measures are achieved. These activities are considered exchange transactions under FASB ASU 2014-09, *Revenue from Contracts Customers (Topic 606)*.

Contributed Goods and Services - Contributed services are recognized as revenue if the services received create or enhance nonfinancial assets, require specialized skills provided by individuals possessing those skills and typically need to be purchased if not provided by donation. Contributed services primarily consist of donated airline mileage. Contributed services and promises to contribute services that do not meet the above criteria are not recognized as revenue and are not reported in the accompanying financial statements. Contributed goods are recorded at the fair market value equivalent of what the goods or services would cost if not contributed. Contributed goods and services totaled \$0 and \$193,941, for the years ended December 31, 2024 and 2023, respectively.

Refundable Advances - A refundable advance is recorded when the Foundation receives assets (i.e., cash) in advance of the satisfaction of the conditions within these arrangements. As of December 31, 2024 and 2023, there was no refundable advances recorded related to conditional grants and cooperative agreements.

Leases

Leases arise from contractual obligations that convey the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. At the inception of the contract, the Foundation determines if an arrangement contains a lease based on whether there is an identified asset and whether the Foundation controls the use of the identified asset. The

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Foundation also determines whether the lease classification is an operating or financing lease at the commencement date.

A right-of-use asset represents the Foundation's right to use an underlying asset and a lease liability represents the Foundation's obligation to make payments during the lease term. Right-of-use assets are recorded and recognized at commencement for the lease liability amount, adjusted for initial direct costs incurred and lease incentives received. Lease liabilities are recorded at the present value of the future lease payments over the lease term at commencement.

The Foundation's lease terms may include options to extend or terminate the lease. The Foundation generally uses the base, non-cancelable, lease term when recognizing the lease assets and liabilities, unless it is reasonably certain that the Foundation will exercise those options. The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As a matter of policy, the Foundation elected to exclude leases with terms of 12 months or less (Short-Term) from the statements of financial position. Short-Term lease expense is recognized on a straight-line basis over the expected term of the lease within the rent and utilities line in the statement of functional expenses.

Foreign Currency Transactions

The functional currency of the Foundation is the U.S. Dollar. The financial statements and transactions of the Foundation's foreign operations are generally maintained in the relevant local currency. Where local currencies are used, assets and liabilities are remeasured at the statement of financial position date using the spot rate as of December 31, 2024 and 2023. Foreign currency exchange rate recognized gains were \$610,908 and \$250,900 for the years ended December 31, 2024 and 2023, respectively.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a departmental basis in the Statements of Activities. In the Statements of Functional Expenses, costs that can be identified with a specific program or support service are charged directly according to their natural expenditure classifications. Management and general expenses include those costs that are not directly identifiable with any specific function, but which provide for the overall support and direction of the Foundation. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Foundation. Office expenses and rent and utilities are allocated to various functions based on the staff count. The statement of functional expenses present the natural classification detail of expenses by function. Functional costs are defined by their purpose below as:

Program Implementation - The Foundation's programs include supporting activities in countries around the world to provide and expand access to HIV prevention, care, and treatment to all children, women, and families affected by HIV in order to achieve and sustain an AIDS-free generation. Strengthening health systems, and integrating HIV services with primary health care services, particularly maternal and child health services, is critical to achieving this goal.

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Research - The Foundation's research programs lay a critical role in both defining the pediatric AIDS research agenda and supporting and conducting research to improve the lives of women, children, and families affected by HIV. Its focus is optimizing health service delivery; building an evidence base for new and innovative interventions; and effectively scaling up promising HIV and maternal, newborn, and child health interventions.

Communications - The Foundation's communications expenditures are incurred in order to further the outreach of the Foundation's programs to parts of populations who might not otherwise realize the help that can be provided by Foundation's U.S. government and Non-U.S. government programs.

Public Policy - The Foundation's public policy and advocacy team builds on the Foundation's legacy of fighting for the best policies for women, children, and families living with and affected by HIV. The Foundation is well positioned to champion children's rights in several realms-including those of national governments, African regional bodies, and multilateral organizations to produce victories for children.

Management and General - Management and general expenses represent expenses incurred by the Foundation's offices for administration of the various programs and to manage operations of the Foundation.

New Business Development Expenses - The Foundation incurs certain expenses reporting to bids and proposals for U.S. government and non-U.S. government cost-reimbursable cooperative agreements and U.S. government contracts which are tracked separately from general fund-raising expenses.

Fund-raising - General fundraising expenses represent expenses incurred to solicit contributions to the Foundation from corporations, foundations, and members of the general public.

Income Taxes

The Foundation is exempt from federal income and state franchise taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and corresponding state revenue and taxation statutes, except for any federal income that may be a result of unrelated business transactions. Accordingly, no provision for income taxes is required.

U.S. GAAP requires management to evaluate uncertain tax positions taken by the Foundation. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions, and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken. The Foundation has recognized no interest or penalties related to uncertain tax positions. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Foundation is no longer subject to income tax examinations for years prior to 2021.

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3. Liquidity and Availability of Resources

The following reflects assets as of the statement of position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date. Amounts not available include amounts set aside for satisfaction of donor restrictions or pledged contributions that will not be received within the next year.

<i>December 31,</i>	2024	2023
Cash and cash equivalents	\$ 5,390,293	\$ 5,464,347
Cash held at foreign offices	2,187,355	1,703,109
Investments	8,943,361	8,256,578
Contributions receivable	276,930	249,376
Other receivables	7,075,142	12,453,471
Total Financial Assets	23,873,081	28,126,881
Due to government agencies	(10,784,867)	(9,190,353)
Grants restricted by donor with time or purpose restrictions	(515,263)	(811,416)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 12,572,951	\$ 18,125,112

The Foundation's operations are primarily funded by grants, contracts, and contributions from various donors, mainly the U.S. Government. In order to satisfy donors' restrictions on contributions as well as liabilities incurred in the performance of U.S. and Non-U.S. Government grants, the Foundation must maintain sufficient resources to meet those responsibilities to its donors.

As part of the Foundation's liquidity management, it has a policy to maintain the financial assets necessary for the performance of grants, contracts, and restricted contributions as its general expenditures, liabilities, and other obligations come due. Most of the Foundation's liquidity is generated through a U.S. Government line of credit through which the Foundation draws down funds as needed to cover expenditures and liabilities incurred on its U.S. Government grants. As of December 31, 2024 and 2023, the amount available through the U.S. Government line of credit totaled \$13,459,640 and \$33,059,146, respectively. As expenditures are incurred the Foundation will be able to utilize this line-of-credit without any additional funding obligations from the U.S. Government. Non-U.S. Government grants are funded through advances from various donors. There were no net unused advances (refundable advances) as of December 31, 2024 and 2023. In addition, the Foundation has short-term investments that could be used to cover cash shortfalls, as needed. Additionally, during the year ended December 31, 2022, the Foundation entered into a Loan Management Account (LMA) arrangement with Bank of America. This account represents a flexible line of credit that uses securities in the Foundation's Merrill Lynch brokerage accounts as collateral. During the years ended December 31, 2024 and 2023 there were no draws on this line of credit and as of December 31, 2024 and 2023 there was no outstanding balance. The rate for the line of credit during 2024 and 2023 was 6.38% and 7.19%, respectively. The LMA has no stipulated expiration date.

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4. Investments

Investments consist of the following at:

<i>December 31,</i>	2024	2023
Common stock	\$ 3,401,526	\$ 3,085,948
Mutual funds:		
Domestic large blend	680,904	583,963
Foreign large growth	537,006	545,160
Domestic growth funds	960,979	746,100
Bond funds	1,245,833	1,247,919
Emerging markets fund	440,964	484,765
Real assets fund	970,349	875,345
Exchange traded fixed income	705,800	687,378
Total Investments	\$ 8,943,361	\$ 8,256,578

Investment return, net consists of the following:

<i>Years ended December 31,</i>	2024	2023
Interest and dividends	\$ 278,682	\$ 247,935
Unrealized gains on investments	554,412	657,933
Realized gains (losses) on investments	8,236	(28,306)
	\$ 841,330	\$ 877,562

Management concluded that investments fees were not material for disclosure.

5. Fair Value Measurements

FASB ASC 820 *Fair Value Measurement* defines fair value 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 and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under ASC 820 as assumptions market participants would use in pricing an asset or liability.

The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 - Quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. These include equity securities and publicly-traded mutual funds that are actively traded on a major exchange or over-the-counter markets.

Level 2 - Observable market-based inputs or unobservable inputs corroborated by market data that are not considered to be active.

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Level 3 - Unobservable inputs that are not corroborated by market data. Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable. These reflects limited partnerships, corporate investments, and real investment funds.

In certain cases, the inputs used to measure the fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment and split-interest agreement.

The following tables set forth by level within the fair value hierarchy the Foundation's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2024 and 2023, respectively. As required by ASC 820, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

	Fair Value Measurements at Reporting Date Using			
	Fair Value at December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024				
Assets:				
Investments:				
Common stock	\$ 3,401,526	\$ 3,401,526	\$ -	\$ -
Mutual funds	4,836,035	4,836,035	-	-
Exchange traded fixed income	705,800	705,800	-	-
Split-interest agreements/ Charitable remainder trust contribution receivables	228,617	-	-	228,617
Total assets	\$ 9,171,978	\$ 8,943,361	\$ -	\$ 228,617

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December 31, 2023	Fair Value Measurements at Reporting Date Using			
	Fair Value at December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments:				
Common stock	\$ 3,085,948	\$ 3,085,948	\$ -	\$ -
Mutual funds	4,483,252	4,483,252	-	-
Exchange traded fixed Income	687,378	687,378	-	-
Split-interest agreements/ Charitable remainder trust contribution receivables	222,938	-	-	222,938
Total assets	\$ 8,479,516	\$ 8,256,578	\$ -	\$ 222,938

The fair value of investments is determined by third-party service providers utilizing various methods dependent upon the specific type of investment. When quoted prices are available in the active market, securities are classified within Level 1 of the valuation hierarchy.

The following tables provide a reconciliation of the beginning and ending balances of split-interest agreements measured at fair value on a recurring basis in the tables above that used significant unobservable inputs (Level 3). As such, the amount of actual cash received is reflected in Level 1 at December 31, 2024 and 2023.

Description	Fair Value at December 31, 2023	Unrealized Gains	Transfers In (Out) of Level 3	Fair Value at December 31, 2024
Split-interest agreements/ charitable remainder trust contribution receivables	\$ 222,938	\$ 5,679	\$ -	\$ 228,617

Description	Fair Value at December 31, 2022	Unrealized Gains	Transfers In (Out) of Level 3	Fair Value at December 31, 2023
Split-interest agreements/ charitable remainder trust contribution receivables	\$ 214,548	\$ 8,390	\$ -	\$ 222,938

Level 3 Valuation

For split-interest agreements/charitable remainder trust contribution receivables, the Foundation gathers as much information as possible for each instrument, including the initial and current trust value, the amount allocated to the Foundation, the date of birth of any other beneficiaries and

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payout amounts. The Foundation uses a standard charitable gift calculation model using these inputs and a standard discount rate reset each year based on current IRS discount rates. For any input not readily available, management develops a best estimate for use in the calculation. There were no changes in valuation techniques for these receivables for 2024 and 2023.

Level 3 Sensitivity of Fair Value Measurements and Changes in Significant Unobservable Inputs

The significant unobservable inputs used in the fair value measurement of the Foundation's split-interest agreements/charitable remainder trust contribution receivables are subject to market risks resulting from changes in the market value of their underlying investments.

6. Contributions Receivable

Contributions receivable are as follows:

<i>December 31,</i>	2024	2023
Unconditional promises to give expected to be collected in:		
Less than one year	\$ 276,930	\$ 249,376
Contribution Receivable, Net	\$ 276,930	\$ 249,376

There were no long term receivables at December 31, 2024 and 2023.

The Foundation makes estimates about the collectability of these receivables based on collection experience. Management believes contribution receivables to be fully realizable and consequently, did not record an allowance for uncollectible amounts. There were no contribution receivables written off during the years ended December 31, 2024 and 2023, respectively.

The Foundation had no conditional pledges for the years ended December 31, 2024 and 2023, respectively.

7. Property and Equipment

Property and equipment consisted of the following at:

<i>December 31,</i>	2024	2023
Computers and equipment	\$ 1,122,158	\$ 1,122,158
Computer software	912,846	842,691
Automobiles	619,725	607,803
Leasehold and tenant improvements	281,104	281,104
	2,935,833	2,853,756
Less: accumulated depreciation and amortization	2,182,235	1,943,495
Property and Equipment, Net	\$ 753,598	\$ 910,261

Depreciation and amortization expense for the years ended December 31, 2024 and 2023, was \$238,740 and \$35,112, respectively.

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8. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of:

<i>December 31,</i>	2024	2023
Subject to expenditure for a specified purpose:		
International Family AIDS Initiative	\$ 175,757	\$ 228,259
Basic research	84,013	84,013
Outside events	3,840	3,840
Other	6,955	6,955
	270,565	323,067
Subject to the passage of time:		
Assets held in charitable remainder trusts	145,675	140,550
Other	16,081	265,411
	161,756	405,961
Perpetual in nature:		
Beneficial interest in perpetual trust	82,942	82,388
	\$ 515,263	\$ 811,416

The change in beneficial interest in perpetual trust is recorded within the statements of activities based on annual underlying trust valuation changes.

9. Released from Net Assets with Donor Restrictions

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

<i>Years ended December 31,</i>	2024	2023
Purpose restrictions accomplished:		
International Family AIDS Initiative	\$ 52,502	\$ 1,842
Basic research	-	8,302
Total Purpose Restrictions Released	52,502	10,144
Time restrictions accomplished:		
Keith Haring Foundation	250,000	250,000
	\$ 302,502	\$ 260,144

10. Pension Benefits

The Foundation has a defined contribution retirement plan (the Plan) under Section 403(b) of the IRC. The effective date of the Plan is January 1, 2006. Employees, as defined, are eligible to participate in the Plan after they have completed 90 days of service and attainment of age 21. Benefits are not subject to, nor covered by, federal plan termination insurance. The Foundation will match the employee's contribution dollar-for-dollar up to a maximum 7% of eligible compensation per pay period. Employees are immediately vested 100% in their own contributions and become vested over a three-year period in the Foundation's matching contributions. Total

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employer contributions to the Plan for the years ended December 31, 2024 and 2023, were \$840,723 and \$783,566, respectively.

11. Leases

Leases

The Foundation has non-cancelable lease arrangements for corporate facilities which expire at various dates to fiscal year 2034. The Foundation does not have any leases that are classified as finance leases, and do not have any material office space subleases.

Upon adoption of ASC Topic 842 and as discussed in Note 2, The Foundation elected numerous practical expedients with respect to leases existing as of January 1, 2022.

Rental payments under these leases include base rental amounts for the terms of each lease unless the lease contains variable costs based (e.g., utilities, real estate taxes, operating expenses such as janitorial and common area maintenance, water, and insurance) on an index or rate. If a lease does include indexed or variable costs at a specific rate, Inc. and include those costs as part of operating lease expense.

Other leases contain variable costs for expenses which are not based on an index or rate. These variable lease payments are determined based on actual expenses incurred by the lessor and passed to the Foundation on a periodic basis. The Foundation expenses these nonlease components as incurred.

For leases that contain an option to extend for an additional period, management evaluated whether it is reasonably certain that the Foundation would, in fact, extend the lease. If the Foundation was not reasonably certain that a lease would be extended, the additional term was not included in the determination of the lease liability and right-of-use asset. If the Foundation was reasonably certain that a lease would be extended, the additional term was included in the determination of the lease liability and right-of-use asset.

Operating lease expense in the statements of activities for the years ended December 31, 2024 and 2023, which is included in “rent and utilities” within the statements of functional expenses, was \$2,169,260 and \$2,420,788, respectively.

The weighted-average remaining lease term and discount rate related to the Foundation’s lease liabilities as of December 31, 2024 and 2023, were:

<i>December 31,</i>	2024	2023
Weighted average remaining lease term	7.85 years	9.04 years
Weighted average discount rate	4.06%	3.94%

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Aggregate remaining maturities of lease liabilities are as follows:

December 31, 2024

2025	\$	1,502,560
2026		1,152,453
2027		1,104,450
2028		1,092,134
Thereafter		4,294,827
Total Operating Lease Payments		9,146,424
Less: imputed interest		(1,054,758)
Total Operating Lease Liabilities	\$	8,091,666

12. Litigation

In the ordinary course of business, the Foundation is from time to time a party to various claims and lawsuits. If management determines, based on the underlying facts and circumstances, that it is probable a loss will result from a litigation contingency and the amount of the loss can be reasonably estimated, the estimated loss is accrued for. Management has not identified any material open litigation matters occurring in the normal course of business as of December 31, 2024 or 2023.

13. Federal Programs

The Foundation receives a majority of its revenue from U.S. Government funded grants and cooperative agreements, all of which are subject to audit. The ultimate determination of amounts received under these grants is generally based upon allowable costs reported to and subject to audit by sponsoring agencies. Management believes that disallowed costs, if any, will be immaterial to the financial statements.

14. Subsequent Events

The Foundation has evaluated subsequent events for recognition and disclosure through August 18, 2025, the date the financial statements were available to be issued. The Foundation is not aware of any subsequent events that would require recognition or disclosure in the financial statements, other than as described below:

The Foundation became a subsidiary of HealthX Partners Incorporated, on January 1, 2025. HealthX Partners, a newly formed entity, seeks through its subsidiaries, to respond to the global health sector's changing needs and emphasis on integrated healthcare services, innovation, systems strengthening, sustainability, and local leadership.

Effective January 1, 2025, HealthX Partners acts as a parent company while the Foundation and Population Services International, will operate as subsidiaries, retaining their names, brands, and missions. They will move toward a shared operational capacity and geographies throughout fiscal year 2025.

On January 27, 2025, an Executive Order concerning the Revaluation and Realignment of United States Foreign Assistance Programs initiated a 90 - day "pause" on new funding obligations to

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facilitate a review by the new administration. Prior to the issuance of these financial statements, the Foundation received termination notices for three of its U.S. government grants. The outstanding grants and contracts receivable relating to those three terminated grants totaling approximately \$1 million was collected subsequent to year-end. The undrawn funds from these terminated U.S government grants totaled approximately \$1.3m as of December 31, 2024.

The Foundation has performed cost reduction measures to address the termination of USAID awards by the Federal Government, including staff reductions and office closures. Management is continuously monitoring the impact of these developments on the Foundation and will take further actions, as necessary, to mitigate any potential risks.