Financial Statements
December 31, 2025 and 2024

Ronald McDonald House Charities in Omaha, Inc.

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Independent Auditor's Report

To the Board of Directors
Ronald McDonald House Charities in Omaha, Inc.
Omaha, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ronald McDonald House Charities in Omaha, Inc. (the Organization), which comprise the statement of financial position and consolidated statement of financial position as of December 31, 2025 and 2024, respectively, and the related statements of activities, functional expenses, and cash flows for the year ended December 31, 2025 and the related consolidated statements of activities, functional expenses, and cash flows for the year ended December 31, 2024, and the related notes to the financial statements (collectively, financial statements).

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 Organization 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 these 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.

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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 Organization's ability to continue as a going concern for 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 Organization'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 Organization'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.

Eide Bailly LLP

Omaha, Nebraska,
June 9, 2026

Ronald McDonald House Charities in Omaha, Inc.

Statement of Financial Position and Consolidated Statement of Financial Position

December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	$ 505,818	$ 971,958
Related party receivable	104	2,500
Grants receivable	45,000	-
Contributions receivable, net	155,443	156,361
Other receivables	135,088	104,653
Certificate of deposit	-	242,337
Short-term investments	1,763,048	1,318,763
Prepaid expenses	19,031	36,005
Other current assets	27,264	27,278
Total current assets	2,650,796	2,859,855
Noncurrent Assets		
Contributions receivable, net	205,141	38,826
Investments	4,671,732	4,555,244
Beneficial use of land	628,513	643,143
Property and equipment, net	8,238,003	8,208,064
Total noncurrent assets	13,743,389	13,445,277
Total assets	$ 16,394,185	$ 16,305,132
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 57,206	$ 173,712
Total liabilities	57,206	173,712
Net Assets		
Without donor restrictions	14,983,292	14,879,483
With donor restrictions	1,353,687	1,251,937
Total net assets	16,336,979	16,131,420
Total liabilities and net assets	$ 16,394,185	$ 16,305,132

Ronald McDonald House Charities in Omaha, Inc.

Statement of Activities and Consolidated Statement of Activities

Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support						
Contributions and grants	$ 1,433,074	$ 457,200	$ 1,890,274	$ 1,346,091	$ 331,732	$ 1,677,823
In-kind contributions	279,043	-	279,043	308,753	-	308,753
Special events revenue	377,912	-	377,912	376,543	-	376,543
Canister program	225,781	-	225,781	172,141	-	172,141
Guest family donations	58,502	-	58,502	72,458	-	72,458
Other income	17,515	-	17,515	178,329	-	178,329
Net assets released from restrictions	355,450	(355,450)	-	28,953	(28,953)	-
Total revenues and other support	2,747,277	101,750	2,849,027	2,483,268	302,779	2,786,047
Expenses						
Program services	2,141,522	-	2,141,522	2,065,838	-	2,065,838
Management and general administration	405,562	-	405,562	483,901	-	483,901
Fundraising	521,859	-	521,859	501,978	-	501,978
Cost of direct benefits to donors	152,966	-	152,966	79,751	-	79,751
Total expenses	3,221,909	-	3,221,909	3,131,468	-	3,131,468
Change in Net Assets from Operations	(474,632)	101,750	(372,882)	(648,200)	302,779	(345,421)
Contribution from Note Payable Forgiveness	-	-	-	9,160,110	-	9,160,110
Contribution Expense from Note Receivable Forgiveness	-	-	-	(7,192,459)	-	(7,192,459)
Investment Income, Net	578,441	-	578,441	647,161	-	647,161
Change in Net Assets	103,809	101,750	205,559	1,966,612	302,779	2,269,391
Net Assets, Beginning of Year	14,879,483	1,251,937	16,131,420	12,912,871	949,158	13,862,029
Net Assets, End of Year	$ 14,983,292	$ 1,353,687	$ 16,336,979	$ 14,879,483	$ 1,251,937	$ 16,131,420

See Notes to Financial Statements

Ronald McDonald House Charities in Omaha, Inc.

Statement of Functional Expenses

Year Ended December 31, 2025

	Program Services	Management and General Administration	Fundraising	Cost of Direct Benefits to Donors	Total
Salaries	$ 910,030	$ 238,317	$ 110,854	$ -	$ 1,259,201
Employee benefits	92,053	27,214	12,659	-	131,926
Payroll taxes	74,195	14,975	6,965	-	96,135
Total salaries and related expenses	1,076,278	280,506	130,478	-	1,487,262
Advertising	-	-	155,408	-	155,408
Amortization of beneficial use of land	14,630	-	-	-	14,630
Depreciation	430,008	-	-	-	430,008
Development	-	-	31,937	-	31,937
Direct mail	-	-	151,196	-	151,196
Family support services and supplies	196,468	-	-	-	196,468
Insurance	45,674	-	-	-	45,674
Maintenance and repairs	106,873	-	-	-	106,873
Meetings, education and training	6,805	2,011	936	-	9,752
Office supplies	6,650	1,966	915	-	9,531
Other expenses	1,276	36,639	176	-	38,091
Other program services	128,294	-	-	-	128,294
Postage	-	5,839	-	-	5,839
Professional fees	-	77,610	-	-	77,610
Special events	-	-	50,352	152,966	203,318
Technology	59,405	-	-	-	59,405
Telephone	11,436	-	-	-	11,436
Travel, meals, and entertainment	3,353	991	461	-	4,805
Utilities	54,046	-	-	-	54,046
Volunteer resources and recognition	326	-	-	-	326
Total expenses	$ 2,141,522	$ 405,562	$ 521,859	$ 152,966	$ 3,221,909

Ronald McDonald House Charities in Omaha, Inc.

Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

	Program Services	Management and General Administration	Fundraising	Cost of Direct Benefits to Donors	Total
Salaries	$ 796,486	$ 243,378	$ 121,084	$ -	$ 1,160,948
Employee benefits	75,529	26,161	13,015	-	114,705
Payroll taxes	57,981	16,996	8,456	-	83,433
Total salaries and related expenses	929,996	286,535	142,555	-	1,359,086
Advertising	-	-	133,885	-	133,885
Amortization of beneficial use of land	14,630	-	-	-	14,630
Depreciation	383,276	-	-	-	383,276
Development	-	-	37,873	-	37,873
Direct mail	-	-	99,025	-	99,025
Family support services and supplies	232,571	-	-	-	232,571
Insurance	56,733	-	-	-	56,733
Interest	138,380	-	-	-	138,380
Maintenance and repairs	68,075	-	-	-	68,075
Meetings, education and training	6,050	2,096	1,043	-	9,189
Office supplies	1,572	544	271	-	2,387
Other expenses	1,715	52,660	296	-	54,671
Other program services	121,407	-	-	-	121,407
Postage	-	5,516	-	-	5,516
Professional fees	-	134,991	-	-	134,991
Special events	-	-	86,254	79,751	166,005
Technology	42,136	-	-	-	42,136
Telephone	9,935	-	-	-	9,935
Travel, meals, and entertainment	4,502	1,559	776	-	6,837
Utilities	53,618	-	-	-	53,618
Volunteer resources and recognition	1,242	-	-	-	1,242
Total expenses	$ 2,065,838	$ 483,901	$ 501,978	$ 79,751	$ 3,131,468

	2025	2024
Operating Activities		
Change in net assets	$ 205,559	$ 2,269,391
Adjustments to reconcile change in net assets to net cash (used for) from operating activities		
Depreciation	430,008	383,276
Forgiveness of note payable	-	(9,160,110)
Forgiveness of note receivable	-	7,192,459
Net realized and unrealized gains on investments	(396,012)	(369,304)
Amortization of beneficial use of land	14,630	14,630
Amortization of debt issuance costs	-	19,253
Contributions restricted for long-term purpose	(101,253)	(324,117)
(Increase) decrease in assets		
Related party receivable	2,396	45,816
Grants receivable	(45,000)	60,000
Contributions receivable, net	(165,397)	(106,718)
Other receivables	(30,435)	148,530
Prepaid expenses	16,974	7,806
Other current assets	14	4,939
(Decrease) increase in liabilities		
Accounts payable and accrued expenses	(116,506)	109,086
Net Cash (used for) from Operating Activities	(185,022)	294,937
Investing Activities		
Purchases of investments	(1,470,787)	(236,239)
Proceeds from sale of investments	1,548,363	77,593
Purchases of property and equipment	(459,947)	(266,703)
Net Cash used for Investing Activities	(382,371)	(425,349)
Financing Activities		
Proceeds from contributions restricted for long-term purpose	101,253	324,117
Payments on notes payable	-	(243,975)
Net Cash from Financing Activities	101,253	80,142
Net Change in Cash and Cash Equivalents	(466,140)	(50,270)
Cash and Cash Equivalents, Beginning of Year	971,958	1,022,228
Cash and Cash Equivalents, End of Year	$ 505,818	$ 971,958
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ -	$ 119,127

Note 1 - Summary of Significant Accounting Policies

The following is a description of the organization and a summary of the significant accounting policies of Ronald McDonald House Charities in Omaha, Inc. These policies are in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Description of Organization

Ronald McDonald House Charities in Omaha, Inc. (the Organization) is a Nebraska incorporated nonprofit charitable corporation formed in 1994. The Organization operates as part of Ronald McDonald House Charities (RMHC), a system of independent, separately registered public benefit organizations, referred to as "Chapters" within the global organization. The Organization is an independent operating Chapter within the RMHC system. The mission of RMHC is to provide essential services that remove barriers, strengthen families, and promote healing when children need healthcare. Collectively, RMHC and the network of local Chapters ascribe to four core values: "we lead with compassion, we are deeply respectful, we act with integrity, and we are firmly committed".

RMHC fulfills its mission through operation of sustainable programs that enable family-centered care, bridge access to quality health care, are a vital part of the health care continuum and strengthen families during difficult times. The following program, operated by the Organization, represents the core functions of RMHC:

- **Ronald McDonald House –** When children must travel long distances to access top medical care, accommodations and support for families can be expensive or not readily available. The Organization helps families stay close to their ill or injured child through the Ronald McDonald House programs located in Omaha, Nebraska, which provide temporary lodging, meals and other support to children and their families. The program provides families with emotional and physical comfort and increases the caregivers' ability to spend more time with their child, to interact with their clinical care team and to participate in critical medical care decisions.

In August 2018, RMHC Omaha Real Estate, Inc. (RMHC Omaha RE) was formed as a qualified active low-income community business (QALICB) for the purpose of utilizing federal and state new market tax credits associated with the construction of a building project at the Ronald McDonald House. RMHC Omaha RE entered into an agreement with the Organization in which it developed and constructed an expanded facility on the existing Ronald McDonald House property that is leased from the University of Nebraska Medicine (see Note 6). This agreement enabled RMHC Omaha RE to enter into several federal and state qualified low-income community investment (QLICI) loans (see Note 8) in order to finance the construction of the facilities. In December 2024, RMHC Omaha RE was dissolved. All assets and liabilities of RMHC Omaha RE were transferred to the Organization. There were no changes to the Articles of Incorporation or Bylaws of the Organization as a result of the dissolution of RMHC Omaha RE.

Principles of Consolidation

For the year ended December 31, 2024, the consolidated financial statements include the accounts of the Organization and RMHC Omaha RE because the Organization had both control and an economic interest in RMHC Omaha RE. All significant intercompany accounts and transactions have been eliminated in consolidation. As a result of the aforementioned dissolution of RMHC Omaha RE in December of 2024, the 2025 financial statements are no longer consolidated. References to financial statements as of and for year ended December 31, 2025, and consolidated financial statements for the as of and for year ended December 31, 2024, are herein referred to as financial statements.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. GAAP and are presented on the basis of net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are created only by donor-imposed restrictions on their use. 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. All other net assets, including board-designated or appropriated amounts, are net assets without donor restrictions and are reported as part of the net assets without donor restriction class.

Measure of Operations

The Organization's change in net assets from operations on the financial statements of activities includes all operating revenues and expenses that are an integral part of its program and supporting activities, net assets released from donor restrictions to support operating expenditures and other non-operating funds to support current operating activities. The measure of operations excludes investment return on investments, gains and losses on the disposal of property and equipment, contribution from note payable forgiveness, and contribution expense from note receivable forgiveness.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management of the Organization to make estimates and assumptions that affect the amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Cash and Cash Equivalents

Cash and cash equivalents for purposes of the statements of cash flows include cash, money market funds, and all highly liquid investments with a maturity date of less than three months from the date of purchase and exclude cash and cash equivalents included in investments and certificates of deposit included in short-term investments.

Contributions and Grants Receivable

Unconditional promises to give, including contributions and grants receivable that are expected to be collected within one year are recognized at net realizable value. Unconditional promises to give that are expected to be collected in future years are recognized at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution and grant revenue. The receivables are reviewed for collectability and a provision for uncollectible amounts is recognized based on management's judgment and an analysis of individual donors, past collection experience and other relevant factors. Contribution receivables are written off when deemed uncollectible.

Note Receivable

The note receivable is recorded at the amount advanced less principal payments. Management regularly assesses the adequacy of the valuation allowance based on circumstances about the specific balance. Interest income is recognized when earned. The note receivable was earning interest at 1.00% and was due August 2046. In December 2024, the note was forgiven. The note forgiveness was recognized as a contribution expense and is included in the statement of activities for the year ended December 31, 2024. There was no valuation allowance at December 31, 2024.

Investments

All investments are measured at fair value in the statements of financial position. Gains or losses on investments are recognized as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

Property and Equipment

Property and equipment are stated at cost, if purchased, or estimated fair value, if donated, at the date of donation. Additions of $2,500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	39 years
Office furniture and equipment	5 – 10 years
Automobiles	5 years

Impairment of Long-Lived Assets

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amount of such assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amount of such assets against the estimated undiscounted future cash flows associated with them. At the time such evaluation indicates that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying value of such assets, the assets are adjusted to their fair values.

Donated Assets, Property and Equipment, and Services

Donated marketable securities, property and equipment, and other noncash donations are recorded as contributions at their fair values at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization also receives donated services from other contributors and volunteers that are not measurable, and therefore, are excluded from the financial statements.

The Organization receives gifts in-kind, such as food, toys, clothing and other house supplies for use in providing temporary housing to families. Gifts in-kind are recognized in circumstances in which the Organization has sufficient discretion over the use and disposition of the items to recognize a contribution. Gifts in-kind are valued and recorded as revenue at their estimated fair value at the time the contribution is received.

During the years ended December 31, 2025 and 2024, the Organization received in-kind contributions with no donor restrictions as follows:

	2025	2024
Household services and supplies	$ 86,110	$ 77,314
Meals that Heal and Stuff the Pantry	120,388	147,705
Professional services	-	3,288
Special events	72,545	80,446
	$ 279,043	$ 308,753

Contributed household services and supplies, Meals that Heal and Stuff the Pantry are used in program services. Household services include photography, cosmetology, and appliance service. These are recognized at fair value based on current rates for similar services. Food and supplies are valued using estimated U.S. wholesale prices (principal market) of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution.

Contributed professional services and items used for special events are used in fundraising. Professional services are advertising which are recognized at fair value based on current rates for similar services. Special events items are food, beverages, raffle prizes, and other items used for the specific fundraising event. These are valued using estimated U.S. wholesale prices (principal market) of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution.

Net Assets

The Organization's net assets and changes therein are classified and reported as follows:

- Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions or law.
- With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

Contributions and Grants

Unconditional promises to give are recognized as revenue in the period the promise was made. Conditional promises to give are recorded as revenue when earned. Revenue is earned when eligible expenditures or deliverables, as defined in each contract, are met. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Indications of intentions to give are not recognized until the cash or other assets are received. Contributions and grants are recognized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Special Event Revenue – Ticket Sales

The portion of ticket sales that relates to the commensurate value the attendee receives in return is recognized when the related events are held and performance obligations are met.

Functional Allocation of Expenses

The statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits, payroll taxes, meetings, education and training, office supplies, and travel, meals, and entertainment, which are allocated on the basis of estimates of time and effort.

Advertising

Advertising costs are expensed as incurred and amounted to $155,408 and $133,885 for the years ended December 31, 2025 and 2024, respectively.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income, if any, from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Subsequent Events

The Organization considered events occurring through June 9, 2026 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2025	2024
Current financial assets at year end		
Cash and cash equivalents	$ 505,818	$ 971,958
Related party receivable	104	2,500
Grants receivable	45,000	-
Contributions receivable, net	155,443	156,361
Other receivables	135,088	104,653
Certificate of deposit	-	242,337
Short-term investments	1,763,048	1,318,763
Total current financial assets	2,604,501	2,796,572
Less amounts not available to be used for general expenditure		
Net assets with donor restrictions		
Building and maintenance fund	(250,000)	(250,000)
Backyard renovation project	(90,603)	(320,555)
House supplies	(9,076)	(14,997)
Equine therapy	(8,875)	(5,750)
Trail construction and maintenance	(3,765)	(9,000)
Wellness program	(1,908)	(1,908)
Arts	-	(1,584)
Other	(5,000)	(5,000)
Amounts not available to be used for general expenditure	(369,227)	(608,794)
Financial assets available to meet general expenditures over the next twelve months	$ 2,235,274	$ 2,187,778

The Organization maintains cash and cash equivalents on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and liquid financial assets on hand are adjusted as necessary. As part of its liquidity management, the Organization invests cash in excess of daily requirements in various marketable securities, which are included as investments in the noncurrent assets section of the statements of financial position. These financial assets could be made available for general expenditure within one year of the statements of financial position date, if needed, and amounted to $4,671,732 and $4,555,244 at December 31, 2025 and 2024, respectively.

Note 3 - Contributions Receivable, Net

Contributions receivable are unconditional promises to give which are estimated to be collected as follows at December 31:

	2025	2024
Amounts due in		
Less than one year	$ 160,947	$ 160,000
One to four years	234,664	42,801
Contributions receivable, gross	395,611	202,801
Less: Discounts for time value of money	(32,857)	(5,444)
Less: Allowance for doubtful accounts	(2,170)	(2,170)
Contributions receivable, net	360,584	195,187
Less: Current portion, net	(155,443)	(156,361)
Noncurrent portion, net	$ 205,141	$ 38,826

The discount rate used for the years ended December 31, 2025 and 2024, ranged from 3.09% to 4.70%.

Note 4 - Conditional Promises to Give

Conditional promises to give are not included as support until the conditions are met.

During 2024, the Organization received a conditional promise to give of $150,000 for operations contingent upon securing matching gifts of $50,000 in 2024, 2025, and 2026 in increments of $10,000 or greater for unrestricted general operating support. The funding must be secured by September 30 of each year. In 2025 and 2024, $50,000 was recognized as contribution revenue.

In 2016, the Organization initiated the Hope and Healing Expansion capital campaign (the Campaign). The Campaign expanded onto the existing Ronald McDonald House in order to serve more families and better serve existing residents. The project cost was approximately $10 million and included adding square footage for additional guest rooms, as well as renovating the existing house. During 2016, the Organization received a $1 million promise to give to the Campaign. This promise to give was subject to certain conditions specified by the donor and are primarily dependent on future sales of products by certain McDonalds locations. The future cash flows of the $1 million conditional promise to give were expected to be received over eight years in installments of approximately $100,000. In 2024, the conditional obligation was met and $207,666 was recognized as contribution revenue.

During 2025, the Organization received a conditional promise to give of $1 million. This promise to give was subject to certain conditions specified by the donor and are primarily dependent on future sales of products by certain McDonalds locations. The future cash flows of the $1 million conditional promise to give are expected to be received over the ten years in installments of approximately $100,000. In 2025, $124,286 was recognized as contribution revenue.

Note 5 - Fair Value Measurements and Disclosures

Certain assets and liabilities are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorized the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are no active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value. For the years ended December 31, 2025 and 2024, the application of valuation techniques applied to similar assets and liabilities has been consistent.

Cash, cash equivalents, and money market – Valued at cost which approximates fair value due to the short term nature of the security.

Exchange-traded funds – Exchange-traded funds are traded on a national securities exchange and are valued at the net asset value of the underlying investments.

U.S. government and U.S. agencies – Bonds issued by the U.S. Treasury, the Federal Home Loan Bank, and the Federal National Mortgage Association, the fair values of which are determined using the spread above the risk-free yield curve.

The tables below present the balances of investment securities measured at fair value on a recurring basis at December 31, 2025 and 2024.

	2025			
	Total	Level 1	Level 2	Level 3
Exchange-traded funds				
Domestic equity	$ 3,653,984	$ 3,653,984	$ -	$ -
Bonds	461,468	461,468	-	-
U.S. government and U.S. agencies	556,280	-	556,280	-
	4,671,732	$ 4,115,452	$ 556,280	$ -
Cash and cash equivalents, at cost	12,168			
Money market, at cost	1,750,880			
	$ 6,434,780			

	2024			
	Total	Level 1	Level 2	Level 3
Exchange-traded funds				
Domestic equity	$ 3,225,786	$ 3,225,786	$ -	$ -
Bonds	500,221	500,221	-	-
U.S. government and U.S. agencies	829,237	-	829,237	-
	4,555,244	$ 3,726,007	$ 829,237	$ -
Cash and cash equivalents, at cost	50,887			
Money market, at cost	1,267,876			
	$ 5,874,007			

Note 6 - Beneficial Use of Land

In February 1993, the Organization entered into a fifty-year lease with the University of Nebraska Medical Center for land that is situated under the existing structures of the Organization. Under the terms of the lease, which were amended in 2019 to extend the lease for an additional 25 years, the Organization is obligated to pay annual rentals of $1 through August 15, 2068. Title to the building and improvements erected in or on the leased premises remain the Organization's during the term of the lease. Upon termination of the lease, ownership of the Organization's building and improvements will revert to the University of Nebraska Medical Center.

Restricted contributions not to exceed the fair value of the land at the time the unconditional promise to give was received were recognized when the Organization entered into the lease agreement. An additional promise to give of $601,770 was recorded during 2019 for the 25-year extension of the lease. The remaining value of the beneficial use of land is included in net assets with donor restrictions as of December 31, 2025 and 2024. The use of the land is being amortized to expense over the term of the lease agreement on a straight-line basis.

Amortization expense of $14,630 was recognized for the beneficial use of the land for each of the years ended December 31, 2025 and 2024.

Note 7 - Property and Equipment

A summary of property and equipment at December 31, 2025 and 2024, is as follows:

	2025	2024
Building and improvements	$ 11,541,382	$ 11,061,470
Office furniture and equipment	1,253,729	1,225,946
Automobiles	28,570	28,570
Construction in process	-	47,748
Total, at cost	12,823,681	12,363,734
Less: Accumulated depreciation	(4,585,678)	(4,155,670)
Property and equipment, net	$ 8,238,003	$ 8,208,064

Note 8 - Notes Payable

On August 14, 2018, the Organization entered into federal and state qualified low-income community investment loans amounting to $9,858,924, issued by Consortium America 67, LLC (Federal Sub-CDE), Consortium America XXV, LLC (Consortium State CDE), and Brownfield Revitalization XI, LLC (Brownfield State CDE), under the federal and state new market tax credit (NMTC) law. The proceeds of the loans are being used to finance the rehabilitation, construction and equipping of the Ronald McDonald House building in Omaha. The loans allowed for the utilization of federal and state new market tax credits to provide additional financing to offset a portion of the development and construction costs of the expanded facilities. The Organization was required to operate the facility as a qualified active low-income community business (QALICB) under both federal and state new market tax credit law and in accordance with the loan agreements.

The loans were secured by a leasehold deed of trust which constitutes a security interest in all personal and fixture property of the Organization.

Pursuant to a $7,192,459 Loan Agreement (State Leverage Loan) dated August 14, 2018 between Stonehenge Nebraska NMTC Investment Fund III, LLC (State Fund) and the Organization (Leverage Lender) (see note receivable in the statements of financial position), and pursuant to a $2,890,000 Loan Agreement (CA Federal Leverage Loan) dated August 14, 2018 between Consortium State CDE and USBCDE Sub-CDE 174, LLC (Federal Fund), and pursuant to a $2,890,000 Loan Agreement (BR Federal Leverage Loan) dated August 14, 2018 between Brownfield State CDE and USBCDE Sub-CDE 174, LLC (Federal Fund), in August 2025, the Consortium State CDE and Brownfield State CDE (collectively, the State CDEs) and Federal CDE, effective holders of the promissory notes due from the Organization, and the upstream effective owners of the State CDEs and Federal CDE, are expected to exercise their respective put options. Under the terms of the Put and Call Agreements, the Leverage Lender would be assigned the security interests of the State CDEs and the Federal CDE. Exercise of the put options will effectively allow the Organization to extinguish its outstanding debt owed under the promissory notes.

In December 2024, the Organization was assigned the security interests of the State CDEs and the Federal CDE and exercised these put options fully forgiving the note receivable and all qualified low-income community investment loans. As a result, RMCH Omaha RE was fully dissolved and all assets and liabilities were transferred to the Organization.

Interest costs, including amortization of debt issuance costs, amounted to $0 and $138,380 and are included in the accompanying financial statements of activities for the years ended December 31, 2025 and 2024, respectively. Interest costs are reported as follows in the accompanying financial statements:

	2025	2024
Amortization of debt issuance costs	$ -	$ 19,253
Interest	-	119,127
Total interest costs incurred	$ -	$ 138,380

Debt issuance costs of $587,577 were being amortized on a straight-line basis over the term of the loans, which approximates the interest rate method, until the put options were exercised in December 2024. The debt issuance costs and the accumulated amortization of $122,735 were written off when the NMTC was satisfied. The write off is included in the contribution from forgiveness of note payable on the statement of activities for the year ended December 31, 2024.

Note 9 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at December 31, 2025 and 2024:

	2025	2024
Subject to expenditure for specific purpose		
Building and maintenance fund	$ 250,000	$ 250,000
Backyard renovation project	90,603	320,555
House supplies	9,076	14,997
Equine therapy	8,875	5,750
Trail construction and maintenance	3,765	9,000
Wellness program	1,908	1,908
Arts	-	1,584
Other	5,000	5,000
Total subject to expenditure for specific purpose	369,227	608,794
Subject to passage of time and purpose		
Future operations	355,947	-
Beneficial use of land	628,513	643,143
Total subject to passage of time and purpose	984,460	643,143
Total net assets with donor restrictions	$ 1,353,687	$ 1,251,937

Note 10 - Net Assets Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors for the years ended December 31, 2025 and 2024:

	2025	2024
Purpose restrictions accomplished		
Backyard renovation project	$ 320,555	$ -
Trail	5,235	-
Wellness program	-	5,092
Arts	1,584	4,070
Equine therapy	1,875	2,500
House supplies	11,571	2,661
Total purpose restrictions accomplished	340,820	14,323
Time and purpose restrictions expired and met		
Beneficial use of land	14,630	14,630
Total net assets released from restrictions	$ 355,450	$ 28,953

Note 11 - Lease Revenue

Beginning June 2020, the Organization leased office space under an operating lease agreement. The lease agreement called for base rent payments at an agreed upon rate. The annual rental amount increases 2.00% annually. Total rent revenue recognized by the Organization was $10,879 and $10,666 in 2025 and 2024, respectively, and is included in other income in the statements of activities for the years ended December 31, 2025 and 2024.

Note 12 - Retirement Plan

The Organization participates in a multiple employer defined contribution 403(b) plan which is available to substantially all employees. The Organization matches contributions made by the employees not to exceed 3.00% of a participant's compensation. Employees are immediately 100% vested in all matching or discretionary contributions made by the Organization. Employer contributions to the plan were $37,230 and $32,619, for the years ended December 31, 2025 and 2024.

Note 13 - Related Party Transactions

Ronald McDonald House Charities (RMHC) is a system of independent, separately registered public benefit organizations, referred to as "Chapters" within the global organization. The Organization is an independent operating Chapter within the RMHC system. Each Chapter is licensed by McDonald's Corporation and Ronald McDonald House Charities, Inc. to use RMHC related trademarks in conjunction with fundraising activities and the operation of its programs; the License Agreement also sets standards of operations for programs, governance, finance, branding and reporting.

Ronald McDonald House Charities, Inc. (RMHC Global), a separately registered nonprofit organization, ensures delivery of the mission across the globe. As a center of excellence, RMHC Global builds and sustains a robust infrastructure of support to the network of Chapters, including operations, licensing and compliance, finance, risk management, communications, marketing and development. The Organization receives a portion of net revenues from all McDonald's national fundraising efforts facilitated by RMHC Global. The Organization may also receive other grants and in-kind support from RMHC Global. During the years ended December 31, 2025 and 2024, the Organization received $280,712 and $153,364, respectively, from these revenue streams.

The Organization received support of approximately $88,000 and $77,000 for the years ended December 31, 2025 and 2024, respectively, from related parties, primarily board members, including organizations where board members are a principal owner or member of management.

The Organization purchased various services used in normal operations from various companies owned or managed by board members. Amounts paid to these companies totaled approximately $24,000 and $23,000 for the years ended December 31, 2025 and 2024, respectively.

Note 14 - Concentrations, Risks and Uncertainties

The Organization at times maintains cash balances in excess of Federal Deposit Insurance Corporation (FDIC) insured limits which represent concentrations of credit risk to the Organization. Accounts are guaranteed by the FDIC up to $250,000 per depositor, per insured bank, for each account ownership category. At December 31, 2025 and 2024, the Organization had approximately $308,000 and $299,000, respectively, in excess of FDIC insured limits.

The Organization routinely invests its funds in fixed income and equity exchange-traded funds, mutual funds and corporate bonds. Investment in these securities is not entirely insured or guaranteed; however, management believes that credit risk related to these investments is minimal.

Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Note 15 – Employee Retention Credit

During the year ended December 31, 2023, the Organization applied for and expected to receive approximately $253,000 in Employee Retention Credits under the Coronavirus Aid, Relief, and Economic Security Act and the American Recovery Plan Act of 2021. These funds were included in contributions and grants in the statement of activities for the year ended December 31, 2023. The Organization received approximately $293,000 during the year ended December 31, 2024, which includes approximately $40,000 of interest that was earned and is included in contributions and grants in the statement of activities for the year ended December 31, 2024. The Organization’s credit filing remains open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending into 2027. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government.