

Nebraska FFA Foundation

**Audit of Financial
Statements**

**For the Year Ended
July 31, 2025**



BUCKLEY & SITZMAN

**Nebraska FFA Foundation
Table of Contents
July 31, 2025**

	Page
Independent Auditor's Report	1-2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-12

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Nebraska FFA Foundation
Lincoln, Nebraska

Opinion

We have audited the accompanying financial statements of the Nebraska FFA Foundation (a nonprofit organization), which comprise the statement of financial position as of July 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Nebraska FFA Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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.

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 Nebraska FFA 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is 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 generally accepted auditing standards, 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 Nebraska FFA 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 Nebraska FFA 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.

Report on Summarized Comparative Information

We have previously audited the Nebraska FFA Foundation's 2024 financial statements, and our report dated October 21, 2024, expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Buckley & Sitzman, LLP
Buckley & Sitzman, LLP

Lincoln, NE
October 17, 2025



Nebraska FFA Foundation
Statement of Financial Position
July 31, 2025
(With Summarized Financial Information For July 31, 2024)

Assets	2025	2024
Current Assets		
Cash and Cash Equivalents		
Checking and Savings Accounts	\$ 1,500	\$ 107,149
Money Market Accounts	255,203	234,108
Unconditional Promises and Pledges	150,647	202,976
Prepaid Expenses	2,748	2,821
Total Current Assets	<u>\$ 410,098</u>	<u>\$ 547,054</u>
Other Assets		
Investments		
Mutual Funds and Exchange Traded Funds	\$3,835,847	\$3,339,910
Unconditional Promises and Pledges	206,511	208,094
Total Other Assets	<u>\$4,042,358</u>	<u>\$3,548,004</u>
TOTAL ASSETS	<u><u>\$4,452,456</u></u>	<u><u>\$4,095,058</u></u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 7,275	\$ 18,685
Accrued Expenses	23,394	16,117
Total Current Liabilities	<u>\$ 30,669</u>	<u>\$ 34,802</u>
Net Assets		
Without Donor Restrictions	\$4,166,639	\$3,684,425
With Donor Restrictions	255,148	375,831
Total Net Assets	<u>\$4,421,787</u>	<u>\$4,060,256</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$4,452,456</u></u>	<u><u>\$4,095,058</u></u>

See accompanying notes to financial statements

Nebraska FFA Foundation
Statement of Activities
For the Year Ended July 31, 2025

(With Summarized Financial Information For the Year Ended July 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	2025	2024
Support and Revenues				
Contributions	\$ 1,029,439	\$ 249,254	\$1,278,693	\$1,340,687
Grant Income	-	-	-	25,000
I Believe in the Future of Agriculture	354,922	-	354,922	417,035
Administration Fee	37,642	-	37,642	42,030
Investment Income, Net	135,744	-	135,744	100,568
Realized and Unrealized Gain on Investments	188,543	-	188,543	210,214
Net Assets Released from Restrictions	369,937	(369,937)	-	-
Total Support and Revenues	\$ 2,116,227	\$ (120,683)	1,995,544	2,135,534
Expenses				
Program Services	\$ 1,261,433	\$ -	\$1,261,433	\$1,249,396
Support Services				
Management and General	178,233	-	178,233	177,477
Fundraising	194,348	-	194,348	148,237
Total Expenses	\$ 1,634,013	\$ -	1,634,013	1,575,109
Change in Net Assets	\$ 482,214	\$ (120,683)	\$ 361,531	\$ 560,425
Net Assets, Beginning of Year	3,684,425	375,831	4,060,256	3,499,831
Net Assets, End of Year	\$ 4,166,639	\$ 255,148	\$4,421,787	\$4,060,256

See accompanying notes to financial statements

Nebraska FFA Foundation
Statement of Functional Expenses
For the Year Ended July 31, 2025
(With Summarized Financial Information For the Year Ended July 31, 2024)

	Support Services				Total	
	Program Services	Management and General	Fundraising Expenses	Total Support Services	2025	2024
Bad Debt Expense	\$ -	\$ -	\$ 6,000	\$ 6,000	\$ 6,000	\$ -
Benefits	3,265	1,132	2,489	3,621	6,886	6,451
Computer Supplies	-	1,409	-	1,409	1,409	-
Copying and Printing	5,741	1,374	7,427	8,801	14,541	19,398
Dues and Subscriptions	-	2,338	282	2,620	2,620	1,809
Education	-	704	1,281	1,984	1,984	314
Insurance	-	2,802	-	2,802	2,802	2,665
Legal and Accounting	-	78,724	-	78,724	78,724	67,458
Marketing and Advertising Expenses	45,575	2,565	20,490	23,055	68,630	88,712
Meals and Entertainment	12,472	1,223	5,836	7,060	19,531	22,054
Miscellaneous Expense	39	2,170	0.33	2,171	2,210	2,314
Office Supplies	215	847	-	847	1,063	669
Payroll Taxes	12,180	3,988	9,384	13,372	25,552	23,961
Postage and Delivery	3,674	1,238	1,573	2,811	6,485	5,802
Professional Services	3,800	-	-	-	3,800	3,532
Salaries and Wages	159,216	59,303	122,665	181,969	341,185	322,219
Small Equipment	-	1,856	-	1,856	1,856	-
Software and Maintenance	-	9,385	4,971	14,357	14,357	8,733
Sponsorship Recognition Expense	2,513	-	1,712	1,712	4,225	2,356
Sponsorships	1,001,536	-	-	-	1,001,536	972,937
Supplies	616	16	440	457	1,072	621
Travel Expenses	7,122	3,252	9,795	13,047	20,169	19,621
Utilities and Facilities	3,470	3,907	-	3,907	7,377	3,483
Total Expenses	<u>\$1,261,433</u>	<u>\$ 178,233</u>	<u>\$ 194,348</u>	<u>\$ 372,581</u>	<u>\$ 1,634,013</u>	<u>\$ 1,575,109</u>

See accompanying notes to financial statements

Nebraska FFA Foundation
Statement of Cash Flows
For the Year Ended July 31, 2025
(With Summarized Financial Information For the Year Ended July 31, 2024)

	2025	2024
Cash Flows from Operating Activities		
Change in Net Assets	\$ 361,531	\$ 560,425
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Realized and Unrealized Gains on Investments	(188,543)	(210,214)
Adjustments for Working Capital Changes:		
Other Receivables	-	280
Prepaid Expenses	73	(21)
Unconditional Promises and Pledges	53,912	129,164
Accounts Payable	(11,410)	1,102
Accrued Expenses	7,277	9,368
Net Cash Provided by Operating Activities	<u>\$ 222,840</u>	<u>\$ 490,104</u>
 Cash Flows from Investing Activities		
Proceeds from sale of investments	\$ 1,161,572	\$ 818,981
Purchase of investments and reinvested investment income	<u>(1,468,966)</u>	<u>(1,113,969)</u>
Net Cash Used In Investing Activities	<u>\$ (307,394)</u>	<u>\$ (294,988)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	\$ (84,554)	\$ 195,115
Cash and Cash Equivalents, Beginning of Year	<u>341,257</u>	<u>146,142</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 256,703</u></u>	<u><u>\$ 341,257</u></u>

See accompanying notes to financial statements

Nebraska FFA Foundation
Notes to Financial Statements
For the Year Ended July 31, 2025

1. Summary of Significant Accounting Policies

General Description - The Nebraska FFA Foundation (Foundation) is a not-for-profit corporation whose mission is to provide support for the agricultural education efforts throughout the state of Nebraska. The Foundation seeks to provide funding to programs and activities that will have the greatest opportunity to have a positive impact on the youth involved in agriculture within the state. The Foundation receives funding primarily from contributions and grants for the promotion of its mission.

Accounting Method - The financial statements have been prepared on the accrual basis.

Investments, net - Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statement of financial position. Unrealized gains and losses are included in the statement of activities, net of investment fees.

Financial Statement Presentation - The financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America and with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, Not-for-Profit Entities, which requires the Foundation to classify its net assets into two categories based on the existence or absence of donor-imposed restrictions; net assets with donor imposed restrictions and net assets without donor imposed restrictions.

Net assets with donor restrictions

Those whose use by the Foundation has been limited by donors to a specific time period or purpose, and those that the Foundation is required to hold in perpetuity.

Net assets without donor restrictions: Those not subject to donor-imposed restrictions. The Foundation reports all expenditures in this class of net assets, since the use of restricted net assets in accordance with donors' stipulations result in the release of the restriction.

Income Taxes - The Foundation qualifies as a tax-exempt not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and has no unrelated business income. Accordingly, no provision for federal or state income taxes has been provided. The Foundation is no longer subject to income tax examination by tax authorities for years before 2021.

Use of Estimates - Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis within the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses are charged directly to program or support services based on specific identification. Indirect expenses have been allocated based on estimates of management.

Nebraska FFA Foundation
Notes to Financial Statements
For the Year Ended July 31, 2025

1. Summary of Significant Accounting Policies (Continued)

Advertising - The Foundation expenses advertising costs when incurred.

Concentrations and Risks - The Foundation invests funds in professionally managed mutual funds and ETFs that contain various types of marketable securities. Such investments are exposed to various risks, such as fluctuation in market value and credit risk. Thus, it is at least reasonably possible that changes in these risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

Prior Year Summarized Financial Information - The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the twelve months ended July 31, 2023, from which the summarized information was derived.

Revenue Recognition - The Foundation follows ASU 2014-09, Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"). Accordingly, the Foundation's policy for revenue recognition is defined below.

The Foundation's revenues consist primarily of contributions, which are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that do not meet the definition of an exchange transaction in accordance with ASU 2014-09 are accounted for under the guidance in Accounting Standards Codification 958 "Not-for-Profit Entities." Contributions that are restricted by the donor are reported as net increases in net assets with donor restrictions unless the restrictions expire in the same fiscal year in which the contributions are recognized. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Amounts due from donors are classified as pledges receivable on the statements of financial position.

2. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include resources invested in money market funds. Cash consists of the following at July 31, 2025:

Unrestricted Funds:	
Cash in Bank	\$ 1,500
Money Markets	255,203
Total	<u>\$ 256,703</u>

Although the Foundation has periodically maintained bank balances in excess of the \$250,000 regulatory amount insured by the FDIC, there were no losses incurred by the Foundation on any of these accounts during the year ended July 31, 2025.

3. Retirement Plan

Employees may elect to participate in the Foundation's Simple IRA plan. Employees that are eligible may direct the Foundation to contribute a percentage of their compensation on a pretax basis to their Simple IRA. The Foundation will make a matching contribution equal to 100% of elective deferrals up to 3% of each employee's compensation for the calendar year. The Foundation's expense related to this plan was approximately \$6,886 for the year ended July 31, 2025.

**Nebraska FFA Foundation
Notes to Financial Statements
For the Year Ended July 31, 2025**

4. Transactions with Affiliates

By its nature, the Foundation engages in transactions with the Nebraska FFA Association and Nebraska FFA Alumni Association.

5. Net Assets with Donor Restriction

Support and revenue received with a donor designation is classified as restricted until such time as the Foundation has expended the funds or accomplished the purpose for which the funds were designated. As of July 31, 2025, donor restricted net assets of \$255,148 were available for future scholarships, local chapter support and various other program expenses.

6. Investments

Investments in securities consisted of fixed income and equity funds with a total estimated fair market value of \$3,835,847 and cost of \$3,512,153 at July 31, 2025. The Foundation paid investment advisory fees of \$26,328 during the year ended July 31, 2025.

7. Fair Value of Investments

The Foundation previously adopted FASB ASC 820-10. ASC 820-10 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

ASC 820-10 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. It also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
Level 3	Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

For the year ended July 31, 2025, the application of valuation techniques to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

Mutual funds are valued at the net asset value (NAV) of shares held by the Foundation at year end. Common stocks and exchange traded funds (ETFs) are valued at the closing price reported on the active market.

Nebraska FFA Foundation
Notes to Financial Statements
For the Year Ended July 31, 2025

7. Fair Value of Investments (Continued)

	Level 1	Level 2	Total Fair Value
Cap Mutual Funds and ETFs	\$ 1,295,835	-	\$ 1,295,835
International Mutual Funds and ETFs	896,753	-	896,753
Fixed Income Mutual Funds and ETFs	1,239,685	-	1,239,685
Real Estate Mutual Funds and ETFs	135,383	-	135,383
Other Mutual Funds and ETFs	268,191	-	268,191
	<u>\$ 3,835,847</u>	<u>-</u>	<u>\$ 3,835,847</u>

Financial instruments included in the Foundation's statement of financial position as of July 31, 2025, which are not required to be measured at fair value on a recurring basis, include cash equivalents, accounts and pledge receivables and accounts payable. The carrying amounts approximate fair value due to the short maturity of these instruments.

8. Subsequent Events

In accordance with FASB ASC 855-10, Foundation management has evaluated subsequent events through the report date, which is the date the financial statements were available to be issued, and concluded that no additional disclosures are required.

9. Unconditional Promises to Give and Receivables

The Foundation had unconditional written promises to give (contribution receivables) of \$357,158 at July 31, 2025. Unconditional promises to give that are expected to be collected within one year are reflected as current assets. Unconditional promises expected to be collected in future years are reflected as other assets.

A provision for uncollectible amounts has not been recorded as estimated uncollectible promises to give and receivables are not expected to be material.

10. Compensated Absences

Employees of the Foundation are entitled to paid vacation and sick days, depending on job classification, length of service and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Foundation's policy is to recognize the costs of compensated absences when actually paid to employees.

11. Endowment Funds

The Financial Accounting Standards Board has issued guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Nebraska FFA Foundation
Notes to Financial Statements
For the Year Ended July 31, 2025

11. Endowment Funds (Continued)

The State of Nebraska adopted UPMIFA, and the Foundation subsequently adopted the Financial Accounting Standards Board's guidance and required disclosures. The Board of Directors has determined the majority of the Foundation's net assets do not meet the definition of "endowment" under UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The purposes of the Foundation and the donor-restricted endowment funds
2. The duration and preservation of the funds
3. General economic conditions; the possible impacts of inflation or deflation
4. The expected total return from income and the appreciation of investments
5. The Foundation's investment policies

All endowment net assets relate to donor-restricted endowment funds for which the Foundation has the ability to distribute principal, but is managing the funds in accordance with the donor's desire that the funds be perpetual in nature. As such, the endowed funds totaling \$663,726 for the year ended July 31, 2025, are entirely included in the without donor restriction balance due to the available variance power granted to the Foundation in the donor agreements. Changes in endowment net assets for the year ended July 31, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 600,516	\$ -	\$ 600,516
Investment return:			
Investment income	22,308	-	22,308
Net appreciation (realized and unrealized)	37,759	-	37,759
Total investment return	60,067	-	60,067
Contributions	18,901	-	18,901
Amounts appropriated for expenditure	(15,758)	-	(15,758)
Endowment net assets, end of year	\$ 663,726	\$ -	\$ 663,726

To satisfy its long-term rate of return objective, the Foundation relies on a total return strategy which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation maintains a balanced portfolio of equities and fixed income investments in order to achieve its long-term objectives consistent with the preservation of capital.

**Nebraska FFA Foundation
Notes to Financial Statements
For the Year Ended July 31, 2025**

12. Uncertain Tax Position

Management has analyzed the tax positions taken by the Foundation, and has concluded that as of July 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

13. Liquidity and Availability

The foundation's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2025
Total assets at year end	\$ 4,452,456
Less:	
Pledges receivable due in more than one year	(206,511)
Endowed Funds	(663,726)
Prepaid Expenses	<u>(2,748)</u>
Financial assets available at year end for general expenditure	<u><u>\$ 3,579,471</u></u>

Although the Board does not intend to spend from their designated investments and Endowed Funds for operating purposes, with Board approval, the investments could be made available if necessary.