

**SSP INTERNATIONAL, INC.**  
**FINANCIAL STATEMENTS**  
**FIFTEEN MONTH PERIOD ENDED DECEMBER 31, 2025**



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**SSP INTERNATIONAL, INC.**  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
SSP International, Inc.  
Wilmington, DE

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of SSP International, Inc. (SSPI), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the fifteen month period 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 SSPI as of December 31, 2025, and the changes in its net assets and its cash flows for the period 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SSPI 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.

#### ***Other Matter***

Effective January 1, 2025, SSPI changed its fiscal year-end from September 30 to December 31. The change was made to better align SSPI's reporting cycle with its operations. SSPI's bylaws were amended accordingly. Therefore, the financial statement audit has been conducted from October 1, 2024 to December 31, 2025.

#### ***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 SSPI's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' 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 auditors' 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.

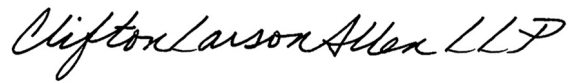
In performing an audit in accordance with GAAS, we:

- 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 SSPI'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 SSPI's ability to continue as a going concern for a reasonable period of time.

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

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of activities presented in page 17 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the statements of activities are fairly stated, in all material respects, in relation to the financial statements as a whole.



**CliftonLarsonAllen LLP**

Pasadena, California  
April 18, 2026

**SSP INTERNATIONAL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2025**

**ASSETS**

Cash and Cash Equivalents	\$ 10,030,120
Restricted Cash and Cash Equivalents	618,513
Investments	116,718,174
Promises to Give, Net	102,919,109
Prepaid Expenses and Other Assets	182,782
Equipment, Net	60,000
Restricted Investments	<u>2,905,500</u>
 Total Assets	 <u><u>\$ 233,434,198</u></u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable and Accrued Expenses	\$ 474,055
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**NET ASSETS**

Without Donor Restrictions	229,236,425
With Donor Restrictions	<u>3,723,718</u>
Total Net Assets	<u><u>232,960,143</u></u>

Total Liabilities And Net Assets	<u><u>\$ 233,434,198</u></u>
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*See accompanying Notes to Financial Statements.*

**SSP INTERNATIONAL, INC.**  
**STATEMENT OF ACTIVITIES**  
**FIFTEEN MONTH PERIOD ENDED DECEMBER 31, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>			
Program Fees, Net of			
Financial Aid of \$3,058,102	\$ 2,678,481	\$ -	\$ 2,678,481
Grants and Contributions	28,511,392	567,367	29,078,759
In-Kind Contributions	33,669	-	33,669
Investment Income, Net	7,421,515	205,977	7,627,492
Interest Income	183,062	-	183,062
Other Income	14,351	-	14,351
Net Assets Released from Restrictions	224,682	(224,682)	-
Total Revenue and Support	39,067,152	548,662	39,615,814
<b>EXPENSES</b>			
Program	8,808,892	-	8,808,892
Management and General	1,671,805	-	1,671,805
Fundraising and Alumni Relations	802,641	-	802,641
Total Expenses	11,283,338	-	11,283,338
<b>CHANGE IN NET ASSETS</b>	27,783,814	548,662	28,332,476
Net Assets - Beginning of Year	201,452,611	3,175,056	204,627,667
<b>NET ASSETS - END OF YEAR</b>	\$ 229,236,425	\$ 3,723,718	\$ 232,960,143

See accompanying Notes to Financial Statements.

**SSP INTERNATIONAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FIFTEEN MONTH PERIOD ENDED DECEMBER 31, 2025**

	Program					Total	Management and General	Fundraising and Alumni Relations	Total
	Summer Science Program	STEM Learning Institute	College Link	Research and Evaluation	Outreach				
Salaries and Wages	\$ 3,766,051	\$ 25,217	\$ 57,861	\$ 290,121	\$ 251,281	\$ 4,390,531	\$ 768,764	\$ 648,489	\$ 5,807,784
Site Expenses	2,571,333	-	-	-	1,831	2,573,164	-	-	2,573,164
Professional Fees	276,908	4,425	-	180,662	324,337	786,332	401,851	6,150	1,194,333
Travel and Meetings	384,679	-	-	2,798	4,674	392,151	269,278	94,263	755,692
Program Stipends	324,403	-	20,400	-	-	344,803	-	-	344,803
Supplies and Software Services	71,113	-	4,107	19,755	15,320	110,295	59,296	16,956	186,547
Bank Transaction Fees	71,188	-	-	-	-	71,188	14,724	2,801	88,713
Insurance	36,992	-	-	-	-	36,992	29,309	-	66,301
Printing and Publications	4,416	-	-	485	5,196	10,097	1,684	15,288	27,069
Participant Recruiting	15,998	-	-	-	10,367	26,365	-	-	26,365
Other Expenses	20,980	-	-	1,138	14,856	36,974	13,468	18,694	69,136
Interest Expense	-	-	-	-	-	-	112,237	-	112,237
Depreciation Expense	30,000	-	-	-	-	30,000	-	-	30,000
Currency Exchange Loss	-	-	-	-	-	-	1,194	-	1,194
<b>Total Functional Expenses</b>	<b>\$ 7,574,061</b>	<b>\$ 29,642</b>	<b>\$ 82,368</b>	<b>\$ 494,959</b>	<b>\$ 627,862</b>	<b>\$ 8,808,892</b>	<b>\$ 1,671,805</b>	<b>\$ 802,641</b>	<b>\$ 11,283,338</b>

See accompanying Notes to Financial Statements.

**SSP INTERNATIONAL, INC.**  
**STATEMENT OF CASH FLOWS**  
**FIFTEEN MONTH PERIOD ENDED DECEMBER 31, 2025**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ 28,332,476
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Realized and Unrealized Gain on Investments	(4,972,000)
Endowment Net Investment Return	(188,000)
Depreciation Expense	30,000
Changes in Operating Assets and Liabilities:	
Promises to Give, Net	24,614,825
Prepaid Expenses and Other Assets	6,772
Accounts Payable and Accrued Expenses	112,697
Net Cash Provided by Operating Activities	47,936,770

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Investments	(54,785,601)
Proceeds from Sale of Investments	10,606,608
Purchase of Property and Equipment	(90,000)
Net Cash Used by Investing Activities	(44,268,993)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Collections of Contributions Restricted to Endowment	268,924
Net Cash Provided by Financing Activities	268,924

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

3,936,701

Cash And Cash Equivalents - Beginning of Year

6,711,932

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 10,648,633

*See accompanying Notes to Financial Statements.*

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT POLICIES**

**Organization**

SSP International, Inc. (SSPI, we, us, our), formerly Summer Science Program, Inc., is a nonprofit organization originally incorporated in the state of California in 1999. In 2023, we completed a reorganization, merging the historical California entity into a newly formed entity incorporated in Delaware. The Delaware entity is the successor entity and continues the business and operations of the historical entity. Our programs have been operating since 1959.

Through SSPI's flagship program, the Summer Science Program, SSPI offers summer residential programs at various university campuses in the United States and Canada, where students engage in rigorous academic coursework and conduct independent research projects in astrophysics, biochemistry, and other STEM fields under the guidance of professional scientists, faculty, and alumni mentors.

Effective January 1, 2025, SSPI changed its fiscal year-end from September 30 to December 31. The change was made to better align SSPI's reporting cycle with its operations. SSPI's bylaws were amended accordingly.

**Basis of Presentation**

The financial statements of SSPI have been prepared on the accrual basis of accounting to conform to generally accepted accounting principles in the United States of America (U.S. GAAP) as applicable to nonprofit institutions. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of SSPI and changes therein have been classified and are reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets 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. 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.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash in checking, savings accounts, U.S. Treasury bills, and money market funds.

**Investments**

Investments are stated at fair value. The estimated fair value of investments is based on quoted market prices or net asset value. Unrealized gains or losses on investments resulting from fair value fluctuations are recorded in the statement of activities.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT POLICIES (CONTINUED)**

**Restricted Cash and Cash Equivalents and Restricted Investments**

Restricted cash and cash equivalents and restricted investments represent assets restricted by donors for the endowment.

**Fair Value Measurements**

Accounting guidance establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring fair value. This hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels:

*Level 1* – Quoted market prices are available in active markets for identical assets or liabilities as of the reporting date.

*Level 2* – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

*Level 3* – Pricing inputs are unobservable and shall be used to measure fair value to the extent that observable inputs are not available. The inputs into the determination of fair value are based upon the best information available and require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

**Revenue and Revenue Recognition**

We recognize contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

During the fifteen-month period ended December 31, 2025, SSPI did not receive any conditional contributions. Contributions of assets other than cash are recorded at their estimated fair value. Promises to give to be received after one year are discounted at a discount rate consistent with the general principles for present value measurement. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible promises to give is estimated by management based on such factors as prior collection history, type of contribution and the nature of fund-raising activity.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT POLICIES (CONTINUED)**

**Program Fees**

Program fee revenue is recognized over the program term as program services are rendered. Financial aid is recorded in the applicable year granted. Revenue, or transaction price, is measured as the amount of consideration expected to be received in exchange for transferring goods or services. Program fee revenues are reported at established rates, net of financial assistance provided by SSPI.

**Donated Services and In-Kind Contributions**

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 7). We do not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

**Concentration of Revenue**

For the fifteen month period ended December 31, 2025, 96% of grants and contributions were attributable to one donor. As of December 31, 2025, 99% of promises to give consists of a single, unconditional bequest, pending final estate settlement and distribution.

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, professional services, administrative expenses, information technology, interest, insurance and other, which are allocated on the basis of estimates of time and effort.

**Income Taxes**

SSPI is a Delaware nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes was included in these financial statements.

U.S. GAAP provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes all of the positions taken by SSPI are more likely than not to be sustained upon examination.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT POLICIES (CONTINUED)**

**Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported 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.

**Financial Instruments and Credit Risk**

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As December 31, 2025, SSPI had approximately \$4,179,000, in excess of FDIC insurance limits. To date, we have not experienced losses in any of these accounts. Investments are made by diversified investment managers whose performance is monitored by us and the investment committee of the board of directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, we and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

**Subsequent Events**

Subsequent events have been evaluated through April 18, 2026, the date the financial statements were available to be issued. There were no subsequent events that would require adjustments or disclosures in these financial statements.

**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 statement of financial position date, comprise the following as of December 31, 2025 (amounts approximate):

Cash and Cash Equivalents	\$ 10,649,000
Investments	119,624,000
Promises to Give, Net	<u>102,919,000</u>
 Total Financial Assets	 233,192,000
 Less Amounts Not Available To Be Used Within One Year	
Net Assets Restricted for Specific Purpose	(815,000)
Endowment	<u>(2,909,000)</u>
	<u><u>\$ 229,468,000</u></u>

As part of the liquidity management plan, SSPI prepares a cash flow forecast annually to assist investment decision making.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)**

As of December 31, 2025, SSPI is awaiting final settlement of an estate gift with an estimated value of \$221,000,000. To date, we have received approximately \$118,800,000. The remaining amount expected to be collected, totaling approximately \$102,719,000, has been recorded as promise to give and is considered fully collectible.

**NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments and fair value measurements measured on a recurring basis were as follows at December 30 (amounts approximate):

2025	Total	Level 1	Level 2	Level 3	NAV
U.S. Large Cap Equity	\$ 43,862,000	\$ 43,862,000	\$ -	\$ -	\$ -
Bond Mutual Fund	25,286,000	25,286,000	-	-	-
U.S. Small/Mid Cap Equity	17,587,000	17,366,000	221,000	-	-
Non-U.S. Developed Equity	14,907,000	14,907,000	-	-	-
Global Equity	8,549,000	-	8,549,000	-	-
Private Equity	6,996,000	-	4,155,000	2,841,000	-
Alternative Investments	1,384,000	-	-	-	1,384,000
Private Debt	1,052,000	-	-	-	1,052,000
Total Investments	<u>\$ 119,623,000</u>	<u>\$ 101,421,000</u>	<u>\$ 12,925,000</u>	<u>\$ 2,841,000</u>	<u>\$ 2,436,000</u>
Recap:					
Investments	\$ 116,718,000				
Restricted Investments	2,906,000				
Total	<u>\$ 119,624,000</u>				

SSPI holds investments in public market private funds and alternative investments that have limited liquidity due to redemption restrictions or other contractual terms. These investments are measured at fair value based on the net asset value (NAV) per share (or its equivalent) as reported by the fund managers, which represents the exit price as of the measurement date. The terms and conditions for these investments include monthly liquidity with notice periods of either 30 days prior to month-end or by the 20th day of the prior month. There are not any significant restrictions on SSPI's ability to sell or redeem these investments. These investments are part of SSPI's broader investment strategy, and there is currently no expected timing of liquidation for the investments that are not redeemable as of December 31, 2025. Management, together with SSPI's investment firm, continuously evaluates the classification and measurement of these investments to ensure they align with applicable accounting guidance and market practices.

The long-term allocation for SSPI includes various alternative investments. As of December 31, 2025, SSPI has entered into subscriptions for seven separate private equity funds. The total commitment to these alternative investments is approximately \$31,700,000, expected to be called in tranches over the next 5 years. As of December 31, 2025, approximately, a total of \$8,211,000 has been called.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

Investment income comprised the following for the fifteen-month period ended December 31, 2025 (amounts approximate):

Interest and Dividends	\$ 2,874,000
Unrealized Gains	5,777,000
Realized Gains	(617,000)
Less: Investment Management Fees	<u>(406,000)</u>
Total Net Investment Income	<u>\$ 7,628,000</u>

**NOTE 4 PROMISES TO GIVE**

Unconditional promises to give are estimated to be collected as follows at December 31, 2025 (amounts approximate):

Within One Year	\$ 102,719,000
In One to Five Years	<u>231,000</u>
Total	102,950,000
Less: Discount to Net Present Value at 3.71%	(31,000)
Less: Allowance for Uncollectible Promises to Give	<u>-</u>
Total	<u>\$ 102,919,000</u>

Promises to give appear as follows in the statement of financial position for the period ended December 31, 2025 (amounts approximate):

Promises to Give	\$ 102,719,000
Promise to Give, Net, Restricted by Donor	<u>200,000</u>
Total	<u>\$ 102,919,000</u>

Promises to give totaling approximately \$269,000 received during the period ended December 31, 2025, were restricted by donors for scholarship funds and were reported as contributions with donor restrictions.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2025 (amounts approximate):

Subject to Expenditures for Specific Purpose:	
Astrophysics Program	\$ 10,000
Scholarship Funds	605,000
Promises to Give, the Proceeds from Which Have Been Restricted by Donors for Scholarship Funds	<u>200,000</u>
Total	815,000
Endowment:	
In Perpetuity	1,894,000
Accumulated Earnings	<u>1,015,000</u>
Total	2,909,000
Total Net Assets with Donor Restrictions	<u><u>\$ 3,724,000</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the period ended December 31, 2025 (amounts approximate):

Purpose Restrictions Accomplished:	
Biochemistry Programs	\$ 50,000
Financial Aid	5,000
Scholarship Funds	11,000
Accumulated Earnings on Endowment	<u>159,000</u>
Total	<u><u>\$ 225,000</u></u>

**NOTE 6 ENDOWMENT**

Our endowment (the Endowment) consists of a single fund established by the Board of Directors, and funded by many donors, to provide annual funding for SSPI's operations.

Our board of directors has interpreted the Delaware Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2025, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 6 ENDOWMENT (CONTINUED)**

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

As of December 31, 2025, we had the following endowment net asset composition by type of fund (amounts approximate):

December 31, 2025	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donors	\$ -	\$ 1,894,000	\$ 1,894,000
Accumulated Investment Gains	-	1,015,000	1,015,000
Total	\$ -	\$ 2,909,000	\$ 2,909,000

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). During the period ended December 31, 2025, there were no such underwater endowments.

**Investment and Spending Policies**

We have adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target minimum rate of return is the Consumer Price Index plus 5% on an annual basis. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

**SSP INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 6 ENDOWMENT (CONTINUED)**

We use an endowment spending-rate formula to determine the maximum amount to spend from the Endowment, including those endowments deemed to be underwater, each year. The rate, determined and adjusted from time to time by the Board of Directors, is applied to the ending fair value of the Endowment investments at December 31, 2025 of each year to determine the spending amount for the upcoming year. During 2025, the spending rate maximum was 5.0%. In establishing this policy, we considered the long-term expected return on the Endowment and set the rate with the objective of maintaining the purchasing power of the Endowment over time.

Changes in endowment net assets for the period ended December 31, 2025 are as follows (amounts approximate):

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Period	\$ -	\$ 2,879,000	\$ 2,879,000
Investment Return, Net	-	188,000	188,000
Contributions	-	-	-
Appropriation of Endowment Assets Pursuant to Spending-Rate Policy	-	(159,000)	(159,000)
Endowment Net Assets - End of Period	<u>\$ -</u>	<u>\$ 2,908,000</u>	<u>\$ 2,908,000</u>

**NOTE 7 CONTRIBUTED NONFINANCIAL ASSETS**

For the period ended December 31, 2025, contributed nonfinancial assets recognized within the statement of activities included the following (amounts approximate):

Nonfinancial Asset	Revenue Recognized	Monetized or Utilized	Utilization in Function	Donor Restrictions	Valuation Technique
Teaching Service	\$ 24,000	Utilized	Program	None	Market Rate of Salary
Program Discount	10,000	Utilized	Program	None	Cost of Program

**SSP INTERNATIONAL, INC.**  
**SUPPLEMENTARY INFORMATION**  
**STATEMENTS OF ACTIVITIES**  
**PERIODS ENDED IN SEPTEMBER AND DECEMBER 2024 AND DECEMBER 2025**

	12-Month Period 9/30/2024	3-Month Period 12/31/2024	12-Month Period 12/31/2025
<b>REVENUE AND SUPPORT</b>			
Program Fees, Net of Financial Aid	\$ 1,886,429	\$ -	\$ 2,678,481
Grants and Contributions	516,918	156,674	28,922,085
In-Kind Donations	10,000	-	33,669
Investment Income	7,083,641	(718,272)	8,345,764
Interest Income	12,887	27,268	155,794
Other Income	-	634	13,717
Net Assets Released from Restrictions	-	-	-
Total Revenue and Support	<u>9,509,875</u>	<u>(533,696)</u>	<u>40,149,510</u>
<b>EXPENSES</b>			
Salaries and Wages	3,069,937	637,638	5,170,146
Site Expenses	1,849,866	-	2,573,164
Professional Fees	991,394	209,293	985,040
Travel and Meetings	445,040	96,347	659,345
Program Stipends	165,507	-	344,803
Supplies and Software Services	125,102	23,889	162,658
Bank Transaction Fees	44,088	-	88,713
Insurance	34,011	10,249	56,052
Printing and Publications	21,095	6,344	20,725
Participant Recruiting	19,962	-	26,365
Other Expenses	30,773	19,021	50,115
Interest Expense	-	-	112,237
Depreciation Expense	-	-	30,000
Currency Exchange Loss	-	-	1,194
Total Expenses	<u>6,796,775</u>	<u>1,002,781</u>	<u>10,280,557</u>
<b>CHANGE IN NET ASSETS</b>	2,713,100	(1,536,477)	29,868,953
Net Assets - Beginning of Year	<u>201,914,567</u>	<u>204,627,667</u>	<u>203,091,190</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 204,627,667</u>	<u>\$ 203,091,190</u>	<u>\$ 232,960,143</u>



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