

FINANCIAL STATEMENTS

June 30, 2025 and 2024

(With Independent Auditor's Report Thereon)

First Nations Development Institute

Financial Statements

June 30, 2025 and 2024

(With Independent Auditor's Report Thereon)

Kundinger, Corder & Montoya, P.C.
Certified Public Accountants

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Certified Public Accountants

Independent Auditor's Report

Board of Directors
First Nations Development Institute

Opinion

We have audited the accompanying financial statements of First Nations Development Institute which comprise the statements of financial position as of June 30, 2025 and 2024 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of First Nations Development Institute as of June 30, 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 (GAAP).

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 First Nations Development Institute and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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, which raise substantial doubt about First Nations Development Institute's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of First Nations Development Institute'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, which raise substantial doubt about First Nations Development Institute '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.

Kundinger, Corder & Montoya, P.C.

December 15, 2025

First Nations Development Institute
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 4,803,082	40,990
Grants and contributions receivable, net (note 3)	21,472,607	8,892,018
Other receivables	110,000	76,200
Prepaid expenses and other assets	290,723	446,202
Investments (note 4)	78,412,701	67,002,425
Investments restricted for endowment (notes 4 and 6)	8,871,876	8,577,677
Property and equipment, net (note 5)	2,231,659	2,248,085
Total assets	$ 116,192,648	87,283,597
Liabilities and Net Assets		
Accounts payable and accrued liabilities	$ 37,682	722,960
Grants payable	8,557,616	6,401,653
Total liabilities	8,595,298	7,124,613
Net assets		
Without donor restrictions		
Undesignated	9,610,622	7,331,044
Board designated operating endowment (note 6)	36,005,469	28,888,342
Total without donor restrictions	45,616,091	36,219,386
With donor restrictions (note 6)	61,981,259	43,939,598
Total net assets	107,597,350	80,158,984
Commitments (notes 5, 6, and 7)		
Total liabilities and net assets	$ 116,192,648	87,283,597

See the accompanying notes to the financial statements.

First Nations Development Institute
Statement of Activities
Year Ended June 30, 2025

	Without donor restrictions	With donor restrictions	Total
Revenue, Gains and Support			
Public support			
Grants	$ 3,712,992	35,719,744	39,432,736
Government grants	4,168,404	889,465	5,057,869
Contributions	2,507,052	4,987,798	7,494,850
Total public support	10,388,448	41,597,007	51,985,455
Other revenue			
Program service fees	251,200	–	251,200
Investment return	4,745,956	598,779	5,344,735
Other income	75,503	–	75,503
Total other revenue	5,072,659	598,779	5,671,438
Net assets released from restrictions (note 6)	24,154,125	(24,154,125)	–
Total revenue, gains and support	39,615,232	18,041,661	57,656,893
Expenses			
Program services			
Native Arts, Language and Knowledge	7,341,457	–	7,341,457
Native Agriculture and Food Systems Investments	5,263,336	–	5,263,336
Stewarding Native Lands	10,329,652	–	10,329,652
California Tribal Fund	2,511,186	–	2,511,186
Research and Advocacy for Economic Justice	1,228,176	–	1,228,176
Total program services	26,673,807	–	26,673,807
Supporting services			
Administration	1,879,135	–	1,879,135
Development	1,665,585	–	1,665,585
Total supporting services	3,544,720	–	3,544,720
Total expenses	30,218,527	–	30,218,527
Change in net assets	9,396,705	18,041,661	27,438,366
Net assets at beginning of year	36,219,386	43,939,598	80,158,984
Net assets at end of year	$ 45,616,091	61,981,259	107,597,350

See the accompanying notes to the financial statements.

First Nations Development Institute
Statement of Activities
Year Ended June 30, 2024

	Without donor restrictions	With donor restrictions	Total
Revenue, Gains and Support			
Public support			
Grants	$ 2,084,284	19,603,192	21,687,476
Government grants	2,038,013	19,345	2,057,358
Contributions	3,660,549	5,693,407	9,353,956
Total public support	7,782,846	25,315,944	33,098,790
Other revenue			
Program service fees	110,800	–	110,800
Investment return	4,423,420	482,452	4,905,872
Other income	279,618	–	279,618
Total other revenue	4,813,838	482,452	5,296,290
Net assets released from restrictions (note 6)	23,663,406	(23,663,406)	–
Total revenue, gains and support	36,260,090	2,134,990	38,395,080
Expenses			
Program services			
Investing in Native Youth	58,602	–	58,602
Asset Building and Financial Empowerment	326,124	–	326,124
Nourishing Native Foods and Health	3,834,224	–	3,834,224
California Tribal Fund	2,399,028	–	2,399,028
Strengthening Tribal and Community Institutions	9,772,168	–	9,772,168
Native Lands Stewardship	8,533,684	–	8,533,684
Total program services	24,923,830	–	24,923,830
Supporting services			
Administration	1,637,913	–	1,637,913
Development	1,309,533	–	1,309,533
Total supporting services	2,947,446	–	2,947,446
Total expenses	27,871,276	–	27,871,276
Change in net assets	8,388,814	2,134,990	10,523,804
Net assets at beginning of year	27,830,572	41,804,608	69,635,180
Net assets at end of year	$ 36,219,386	43,939,598	80,158,984

See the accompanying notes to the financial statements.

First Nations Development Institute
Statement of Functional Expenses
Year Ended June 30, 2025

	Program services						Supporting services		
	Native Arts, Language and Knowledge	Native Agriculture and Food Systems Investments	Stewarding Native Lands	California Tribal Fund	Research and Advocacy for Economic Justice	Total Program	Admini-stration	Develop-ment	Total
Personnel costs	$ 1,406,731	504,330	1,653,456	324,847	280,533	4,169,897	930,481	678,436	5,778,814
Grants and stipends	4,027,200	2,764,601	7,043,239	1,901,350	537,884	16,274,274	–	–	16,274,274
Professional and consulting fees	654,950	1,365,790	641,366	91,856	245,623	2,999,585	95,379	542,390	3,637,354
Travel	479,757	377,697	538,141	92,600	123,560	1,611,755	59,334	166,686	1,837,775
Printing and publications	8,724	5,674	14,083	2,672	14,158	45,311	18,536	5,272	69,119
Conferences and meetings	496,326	144,855	254,127	47,946	1,153	944,407	74,611	55,867	1,074,885
Interest expense	–	–	–	–	–	–	22,423	–	22,423
Rent and occupancy	10,834	9,104	36,460	3,300	1,444	61,142	123,988	664	185,794
Postage and delivery	6,876	1,601	4,374	1,242	1,211	15,304	30,344	51,611	97,259
Equipment and software	154,897	6,437	64,304	13,132	95	238,865	17,166	6,947	262,978
Supplies and small equipment	46,453	59,178	44,812	11,845	11,566	173,854	93,992	50,599	318,445
Telephone	20,135	3,350	17,746	5,297	1,779	48,307	24,028	939	73,274
Other expenses	2,889	20,421	7,623	13,250	9,170	53,353	226,784	85,574	365,711
Outside computer services	25,685	298	9,921	1,849	–	37,753	51,877	20,600	110,230
Insurance	–	–	–	–	–	–	20,258	–	20,258
Depreciation	–	–	–	–	–	–	89,934	–	89,934
Total functional expenses	$ 7,341,457	5,263,336	10,329,652	2,511,186	1,228,176	26,673,807	1,879,135	1,665,585	30,218,527

See the accompanying notes to the financial statements.

First Nations Development Institute
Statement of Functional Expenses
Year Ended June 30, 2024

	Program services							Supporting services		
	Investing in Native Youth	Asset Building and Financial Empower-ment	Nourishing Native Foods and Health	California Tribal Fund	Strength-ening Tribal and Community Institutions	Native Lands Steward-ship	Total Program	Admini-stration	Develop-ment	Total
Personnel costs	$ 11,823	43,886	525,157	318,942	1,283,800	1,128,427	3,312,035	815,348	502,383	4,629,766
Grants and stipends	30,000	94,583	2,079,916	1,836,050	7,012,475	6,049,917	17,102,941	–	–	17,102,941
Professional and consulting fees	838	113,126	776,029	82,227	751,571	798,911	2,522,702	127,259	322,085	2,972,046
Travel	12	33,191	238,274	64,825	316,995	316,808	970,105	60,413	124,332	1,154,850
Printing and publications	3,298	15,273	19,404	6,861	33,753	7,395	85,984	24,136	88,340	198,460
Conferences and meetings	437	3,310	62,052	49,098	129,558	88,586	333,041	32,097	50,446	415,584
Interest expense	–	–	–	–	–	–	–	22,423	–	22,423
Rent and occupancy	2,717	4,464	23,844	13,205	61,345	55,975	161,550	46,331	6,471	214,352
Postage and delivery	1,334	444	5,131	1,403	7,194	3,252	18,758	30,369	152,825	201,952
Equipment and software	–	–	7,400	15,490	65,259	13,932	102,081	17,331	8,664	128,076
Supplies and small equipment	7,413	8,714	74,834	5,121	83,109	56,171	235,362	47,646	19,012	302,020
Telephone	666	881	2,489	2,626	9,847	9,124	25,633	36,420	1,286	63,339
Other expenses	64	8,252	18,319	3,180	5,608	1,035	36,458	232,164	12,029	280,651
Outside computer services	–	–	1,000	–	11,654	4,151	16,805	71,725	21,660	110,190
Insurance	–	–	375	–	–	–	375	22,764	–	23,139
Depreciation	–	–	–	–	–	–	–	51,487	–	51,487
Total functional expenses	$ 58,602	326,124	3,834,224	2,399,028	9,772,168	8,533,684	24,923,830	1,637,913	1,309,533	27,871,276

See the accompanying notes to the financial statements.

First Nations Development Institute
Statements of Cash Flows
June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	$ 27,438,366	10,523,804
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	89,934	51,487
Net realized and unrealized gains on investments	(1,321,713)	(1,480,417)
Discount on long-term grants and contributions receivable	(432,465)	(348,178)
Contributions restricted for endowments	(250,000)	(486,000)
Interest and dividends restricted for endowments	(298,023)	(204,788)
Change in operating assets and liabilities		
Grants and contributions receivable	(12,148,124)	(3,702,255)
Other receivables	(33,800)	6,055
Prepaid expenses and other assets	155,479	(348,294)
Accounts payable and accrued liabilities	(685,278)	396,676
Grants payable	2,155,963	2,545,106
Net cash provided by operating activities	14,670,339	6,953,196
Cash flows from investing activities		
Net purchases of investments	(10,382,762)	(7,874,589)
Purchases of property and equipment	(73,508)	(1,559,612)
Net cash used in investing activities	(10,456,270)	(9,434,201)
Cash flows from financing activities		
Contributions restricted for endowments	250,000	486,000
Interest and dividends restricted for endowments	298,023	204,788
Net cash provided by financing activities	548,023	690,788
Net increase (decrease) in cash and cash equivalents	4,762,092	(1,790,217)
Cash and cash equivalents at beginning of year	40,990	1,831,207
Cash and cash equivalents at end of year	$ 4,803,082	40,990
Supplemental disclosure:		
Interest paid	$ 22,423	22,423

See the accompanying notes to the financial statements.

1) Summary of Significant Accounting Policies

a) Organization

First Nations Development Institute (FNDI) is a nonprofit organization dedicated to uplifting and sustaining the lifeways and economies of Native communities through advocacy, financial support, and knowledge sharing. FNDI is funded by grants from foundations, corporations, governments and individual donations.

Summary of Program Activities

FNDI works to improve economic conditions for Native Americans through technical assistance and training, advocacy and policy, and direct financial grants in the key areas of Native Arts, Language and Knowledge, Native Agriculture and Food Systems Investments, Stewarding Native Lands, California Tribal Fund, and Research and Advocacy for Native Economic Justice.

Native Arts, Language, and Knowledge
Through the Native Arts, Language, and Knowledge program, we directly support tribes and Native-led organizations by providing financial resources, training, and technical assistance. We focus our work in five strategic impact areas: Native languages, Native arts, indigenous knowledge holders, and building capacity of Native nonprofit professionals working in community and economic development.

Native Agriculture and Food Systems Investments
FNDI works to strengthen food systems in Native communities, improve health and nutrition, and build lasting food security. We provide tribes and Native-led organizations financial resources, training, technical assistance, and support in the form of research, advocacy, and coalition building in the areas of Native food sovereignty, food security, food economies, and food networks.

Stewarding Native Lands
The Stewarding Native Lands program supports tribes and Native-led organizations by providing financial resources, research, and advocacy, along with training and technical assistance through site visits, conferences, convenings, workshops, webinars, and peer-learning cohorts. Our work targets five strategic areas: climate, community pathways, environmental sovereignty and justice, stewardship, and the expansion of Native ownership and stewardship over tribal homelands.

California Tribal Fund
FNDI invests in the viability and visibility of California Tribal Nations and communities, focusing on tribal control and protection of ancestral lands, water, food systems, and culture. We provide financial and technical assistance to California tribes and Native-led organizations, and work to raise awareness of California Native communities, the socio-ecological environment, and Indigenous natural resources management.

Research and Advocacy for Native Economic Justice
FNDI provides Native communities, policy makers, and funders research, tools, and opportunities to advance Native economic justice. We deliver financial management training and resources to tribes and Native communities, as well as financial and technical assistance to tribes and Native-led organizations surrounding economic and workforce development. We also lead and support research to elevate Native strengths and counter invisibility and misinformation.

b) Basis of Accounting

The accompanying financial statements of FNDI have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

1) Summary of Significant Accounting Policies, Continued

c) Financial Statement Presentation

FNDI is required to present information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of FNDI. These net assets may be used at the discretion of FNDI's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of FNDI or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

d) Cash and Cash Equivalents

FNDI considers all highly liquid instruments with original maturities of three months or less, or not held as part of the investment portfolio, to be cash equivalents. FNDI continually monitors its positions with, and the credit quality of, the financial institutions with which it invests. Throughout the year, FNDI held balances of cash and cash equivalents in excess of the federally insured limit.

e) Concentrations

Financial instruments that potentially subject FNDI to credit risk include cash and cash equivalents, investments, and grants and contributions receivable. FNDI places its cash and money market accounts with creditworthy, high-quality financial institutions. FNDI has significant investments in marketable securities and fixed income and is, therefore, subject to concentrations of credit risk. Investments are made and monitored by management of FNDI pursuant to an investment policy. Though the market values of investments are subject to fluctuation, management believes that its investment policy is prudent to the long-term welfare of FNDI. Credit risk with respect to grants and contributions receivable is limited due to the creditworthiness of the organizations from whom the amounts are due.

f) Investments

Investments are recorded at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position. Fair value if more fully described below. Management is responsible for the fair value measurement of investments reported in the financial statements and believes that the reported values are reasonable.

Investment return consists of FNDI's distributive share of interest, dividends, and capital gains and losses generated from sales of investments. Gains and losses attributable to investments are realized and reported upon a sale or disposition of the investment. Unrealized gains and losses are included in the change in net assets in the statements of activities. Investment return restricted by a donor is reported as increases in net assets with donor restrictions.

1) Summary of Significant Accounting Policies, Continued

g) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles (GAAP) establish a fair value hierarchy that prioritizes investments based on the assumptions market participants would use when pricing an asset. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs).

Assets are grouped at fair value in three levels based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 Inputs other than quoted market prices that are observable for the asset/liability, either directly or indirectly.

Level 3 Unobservable inputs that cannot be corroborated by observable market data.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. These classifications (Level 1, 2 and 3) are intended to reflect the observability of inputs used in the valuation of investments and are not necessarily an indication of risk or liquidity.

h) Property and Equipment

Property and equipment purchased by FNDI are recorded at cost. Donated fixed assets are capitalized at fair value at the date of donation. FNDI capitalizes property and equipment in excess of $2,000 with a useful life of at least one year. Depreciation and amortization are provided on the straight-line method based upon the estimated useful lives of the assets, which range from three to twenty years.

i) Grants Payable

Grants payable represent unconditional, confirmed grants to other organizations. There were $1,200,000 grants due in 2028, $1,655,000 due in 2027, and $1,588,256 due in 2026. All remaining amounts, totaling $4,114,360, are due to the organizations in less than one year.

j) Revenue Recognition

Public Support

Public support on the statements of activities consists of revenue from contributions and grants. Contributions and grants are recognized when cash, securities or other assets, and unconditional promises to give, or 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. Should FNDI substantially meet the conditions in the same period that the contribution was received, and barring any further donor-imposed restrictions, FNDI has elected to recognize the revenue in net assets without donor restrictions. Payments received in advance of conditions being met are recorded as refundable advances in the statements of financial position. At June 30, 2025 and 2024, there were no conditional contributions outstanding.

l) Summary of Significant Accounting Policies, Continued

j) Revenue Recognition, Continued

Public Support, Continued
Government grants are treated as contributions that are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Consequently, at June 30, 2025 conditional contributions related to these grants, totaling $5,563,112 , for which no amounts have been received in advance, have not been recognized in the accompanying financial statements.

Grants and contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a donor restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Grants and contributions receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. FNDI uses the allowance method to determine uncollectible grants and contributions receivable. The allowance is based on past collection experience and management's analysis of specific promises made. There was no allowance for uncollectible grants and contributions receivable at June 30, 2025 and 2024.

Donated Goods and Services
Donated goods are recorded at fair value at the date of the donation. Contributed 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 FNDI. There were no in-kind contributions recognized for the years ended June 30, 2025 and 2024. A number of volunteers have donated time in connection with FNDI's activities. No amounts have been reflected in the accompanying financial statements because the services do not meet the recognition criteria under GAAP.

Program Service Fees
Program service fees mainly consist of earned revenue from contracts to provide development, research and financial education services and products to other organizations. Revenue from exchange transactions is recorded as performance obligations are met under the contracts. Amounts received in advance are deferred until such time as they are earned.

Receivables relate to amounts due from customers for fees for program services provided. An allowance for credit losses is provided based upon prior years' experience, current economic conditions, and reasonable and supportable forecasts about collectability. There was no allowance for credit losses at June 30, 2025 and 2024.

k) Functional Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statements of functional expenses. FNDI incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. FNDI also conducts a number of activities which benefit both its program objectives as well as supporting services (i.e. administration and development activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square-footage, or estimates of time and effort incurred by personnel.

1) Summary of Significant Accounting Policies, Continued

l) Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

m) Income Taxes

FNDI is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and qualify for the charitable contribution deduction. However, income from activities not directly related to its tax-exempt purpose is subject to taxation as unrelated business income. There was no unrelated business income incurred during 2025 and 2024. Accordingly, the accompanying financial statements do not include a provision for income taxes.

Management is required to evaluate tax positions taken by FNDI, and to recognize a tax liability if FNDI has taken an uncertain position that probably would not be sustained upon examination by taxing authorities. FNDI believes it has appropriate support for any positions taken and that none would require recognition of a liability or disclosure in the financial statements. FNDI is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress. The three previous tax years remain subject to examination by the IRS.

n) Subsequent Events

FNDI has evaluated all subsequent events through December 15, 2025, which is the date the financial statements were available to be issued.

o) Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation. The reclassifications had no effect on net assets or the change in net assets.

2) Availability and Liquidity of Financial Assets

The following table reflects FNDI's financial assets that are available for general and specific expenditures within one year as of June 30:

	2025	2024
Financial assets at year-end		
Cash and cash equivalents	$ 4,803,082	40,990
Grants and contributions receivable, net	21,472,607	8,892,018
Other receivables	110,000	76,200
Investments	78,412,701	67,002,425
Total financial assets at year-end	104,798,390	76,011,633
Less board designated operating endowment	(36,005,469)	(28,888,342)
Less grants and contributions receivable due in more than one year (note 3)	(13,633,380)	(6,953,332)
Financial assets available to meet general and specific expenditures within one year	$ 55,159,541	40,169,959

2) Availability and Liquidity of Financial Assets, Continued

FNDI considers net assets with donor restrictions expected to be met within one year to be available for general expenditure. FNDI is substantially supported by restricted grants and contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, FNDI must maintain sufficient resources to meet those responsibilities to its donors. At June 30, 2025 and 2024, management has estimated that all net assets with donor restrictions are available within the next year, other than receivables due in more than one year, which are accounted for separately above.

FNDI's board of directors has designated a portion of net assets without donor restrictions for specific purposes. Although FNDI does not intend to spend from the board-designated funds, the funds could be made available for current operations, with board approval, if needed.

As part of FNDI's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, FNDI invests cash in excess of daily requirements in short-term investments.

3) Grants and Contributions Receivable

Grants and contributions receivable mainly consist of amounts due from Foundations and other organizations for specific programs and general operations. Grants and contributions receivable consist of the following at June 30:

	2025	2024
Receivable in one year	$ 8,829,069	2,496,063
Receivable in more than one year	13,633,380	6,953,332
Total grants and contributions receivable	22,462,449	9,449,395
Less discount to net present value	(989,842)	(557,377)
Total grants and contributions receivable, net	$ 21,472,607	8,892,018

Receivables have been discounted using a discount rate of 3.26%.

4) Investments

Investments are presented in the statements of financial position as follows at June 30:

	2025	2024
Investments	$ 78,412,701	67,002,425
Investments restricted for endowment	8,871,876	8,577,677
	$ 87,284,577	75,580,102

The following table summarizes the valuation of investments by the fair value hierarchy levels as of June 30, 2025:

	Fair value	Level 1	Level 2
Mutual funds	$ 68,992,962	68,992,962	–
Cash and cash equivalents	357,269	357,269	–
Equities	10,902	10,902	–
Exchange traded funds	9,555,492	9,555,492	–
Fixed income	8,367,952	–	8,367,952
Total	$ 87,284,577	78,916,625	8,367,952

4) Investments, Continued

The following table summarizes the valuation of investments by the fair value hierarchy levels as of June 30, 2024:

	Fair value	Level 1	Level 2
Mutual funds	$ 58,716,995	58,716,995	–
Cash and cash equivalents	2,336,315	2,336,315	–
Exchange traded funds	6,673,000	6,673,000	–
Fixed income	7,853,792	–	7,853,792
Total	$ 75,580,102	67,726,310	7,853,792

5) Property and Equipment

Property and equipment consist of the following at June 30:

	2025	2024
Land	$ 801,735	801,735
Building and improvements	1,838,870	1,777,932
Furniture, equipment and software	122,813	110,243
	2,763,418	2,689,910
Less accumulated depreciation and amortization	(531,759)	(441,825)
	$ 2,231,659	2,248,085

Property and equipment are designated as follows at June 30:

	2025	2024
Land and building restricted for endowment (see note 6)	$ 409,930	454,129
Property and equipment, other	1,821,729	1,793,956
	$ 2,231,659	2,248,085

6) Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following at June 30:

	2025	2024
Native Arts, Language, and Knowledge	$ 23,196,994	–
Native Agriculture and Food Systems Investments	4,287,407	1,884,059
Stewarding Native Lands	10,163,358	4,140,899
California Tribal Fund	9,705,364	5,238,876
Research and Advocacy for Economic Justice	4,150,452	–
Investing in Native Youth	–	5,267,772
Asset Building and Financial Empowerment	–	2,208,205
Strengthening Tribal and Community Institutions	–	15,557,165
Unspent endowment earnings	1,195,878	610,816
Endowments	9,281,806	9,031,806
	$ 61,981,259	43,939,598

6) Net Assets with Donor Restrictions, Continued

Net assets with donor restrictions were released from restrictions for the following purposes:

	2025	2024
Native Arts, Language, and Knowledge	$ 8,481,581	–
Native Agriculture and Food Systems Investments	3,385,602	3,536,704
Stewarding Native Lands	5,268,740	3,180,414
California Tribal Fund	1,448,015	1,320,025
Research and Advocacy	5,556,470	–
Investing in Native Youth	–	762,103
Asset Building and Financial Empowerment	–	102,595
Strengthening Tribal and Community Institutions	–	14,750,100
Endowment earnings	13,717	11,465
	$ 24,154,125	23,663,406

Endowment Funds

FNDI's endowment funds are comprised of the following at June 30:

	2025	2024
Board-designated operating endowment fund	$ 36,005,469	28,888,342
Donor-restricted operating endowment fund	3,127,700	3,127,700
Keepseagle endowment fund	5,000,000	5,000,000
Other endowment funds	1,154,106	904,106
Total endowment funds	$ 45,287,275	37,920,148

The board has elected to establish a quasi-endowment for the purpose of maintaining the purchasing power of FNDI's assets to support the ongoing and long-term operations of the organization.

During the year ended June 30, 2007, FNDI received a grant of $3,000,000 from the Ford Foundation. The earnings on this grant for the first five years were earmarked for use in Grantmaking: 75% to be regranted to other organizations and 25% for grant administration and technical assistance to grantees. During the year ended June 30, 2012, after the expiration of this restriction, the board of directors directed the earnings to be used for operations. Contributions to the Operating Endowment Fund are recorded as increases in net assets with donor restrictions. Any earnings on the Operating Endowment Fund are recorded as increases in net assets without donor restrictions and available for expenditure on general operating activities.

During the year ended June 30, 2013, the board of directors of FNDI authorized and approved borrowing internally $850,000 from the Operating Endowment Fund to purchase and improve a building in Longmont, Colorado to provide office space for FNDI's current and future needs instead of renting in an unpredictable commercial real estate environment. It is FNDI's intention to fully repay the endowment funds. Accordingly, an internal promissory note payable to the endowment funds was executed effective April 30, 2013. The $850,000 note bears interest at 3.75% for twenty years and is secured by the land and building. Monthly payments of $5,040 including principal and interest are transferred from net assets without donor restrictions to the endowment funds in repayment. During the years ended June 30, 2025 and 2024, principal payments were $44,199 and $42,575 and interest payments were $16,275 and $17,900, respectively. Interest income and expense of $16,275 and $17,900, respectively, were eliminated in the financial statements at June 30, 2025 and 2024. The loan balance at June 30, 2025 and 2024 totals $409,930 and $454,129, respectively.

6) Net Assets with Donor Restrictions, Continued

Endowment Funds, Continued

During the year ended June 30, 2019, FNDI received $5,000,000 under the Keepseagle settlement to establish an endowment to maintain the agricultural grant program in perpetuity. Contributions and earnings to the Keepseagle Endowment Fund are recorded as increases in net assets with donor restrictions until appropriated by the board of directors for expenditure. Any distributed earnings from the fund must be used to fund the agricultural grant program.

Other endowment funds consist of various endowments which have been restricted by donors for specific programs. Any distributed earnings from these funds must be used to support these programs.

At June 30, 2025 and 2024, FNDI's donor-restricted endowment net assets are comprised of the following:

	2025	2024
Investments restricted for endowment	$ 8,871,876	8,577,677
Land and building restricted for endowment (note 5)	409,930	454,129
	$ 9,281,806	9,031,806

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

In accordance with UPMIFA, FNDI considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of FNDI and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of FNDI
(7) The investment policies of FNDI.

Return Objectives and Risk Parameters
FNDI has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that FNDI must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk. FNDI expects its endowment funds, over time, to provide an average rate of return of approximately six percent annually. Actual returns in any given year may vary from this amount.

6) Net Assets with Donor Restrictions, Continued

Endowment Funds, Continued

Strategies Employed for Achieving Objectives
To satisfy its long-term rate-of-return objectives, FNDI relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). FNDI targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy
FNDI has a policy of retaining interest and dividends earned in the endowment accounts to achieve compound earnings. However, expenditures of account earnings on the donor-restricted operating endowment fund are provided by net assets without donor restrictions. Earnings on other endowment funds have been recorded in net assets with donor restrictions but are available for expenditure for the endowment purposes.

Following are the changes in endowment net assets:

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Endowment net assets, June 30, 2023	$ 13,152,930	8,685,636	21,838,566
Investment return	1,138,669	482,452	1,621,121
Contributions to endowment net assets	14,596,743	486,000	15,082,743
Appropriated for expenditure	–	(11,466)	(11,466)
Endowment net assets, June 30, 2024	28,888,342	9,642,622	38,530,964
Investment return	1,786,083	598,779	2,384,862
Contributions to endowment net assets	5,331,044	250,000	5,581,044
Appropriated for expenditure	–	(13,717)	(13,717)
Endowment net assets, June 30, 2025	$ 36,005,469	10,477,684	46,483,153

7) Retirement Plan

Eligible employees may make contributions to a 403(b)-savings plan operated by FNDI. FNDI is not required to match employee contributions but elected to make discretionary matching contributions to the 403(b) plan totaling $84,510 and $57,363 for the years ended June 30, 2025 and 2024, respectively.

8) Related Party Transactions

FNDI makes loans and grants to tribal groups as part of its programmatic mission. It also has a policy of investing in Native American businesses. As a result, FNDI may have business relationships with groups headed by members of its board of directors. All grants are made in accordance with long-standing procedures in which board members do not participate. All business dealings are conducted on terms consistent with those available to similar organizations or from similar businesses.

The board of directors of FNDI approves all related party transactions.

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