

Rising Ground, Inc. and Affiliates

Consolidated Financial Statements
and Supplementary Information
Year Ended June 30, 2025

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



Rising Ground, Inc. and Affiliates

Consolidated Financial Statements and Supplementary Information
Year Ended June 30, 2025

Rising Ground, Inc. and Affiliates

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Independent Auditor's Report

The Board of Directors
Rising Ground, Inc. and Affiliates
Yonkers, New York

Opinion

We have audited the consolidated financial statements of Rising Ground, Inc. and Affiliates (Rising Ground), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rising Ground as of June 30, 2025, and the changes in its 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Rising Ground 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Rising Ground'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rising Ground'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 consolidated financial statements as a whole. The accompanying consolidating schedules are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the consolidated information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

BDO USA, P.C.

November 26, 2025

Rising Ground, Inc. and Affiliates
Consolidated Statement of Financial Position

June 30, 2025

Assets

Current Assets

Cash and cash equivalents	\$ 3,339,819
Investments, at fair value, current portion	55,936,424
Accounts receivable, net of allowance for current expected credit losses	50,019,421
Other receivables	68,173
Prepaid expenses	1,415,934

Total Current Assets 110,779,771

Assets Limited as to Use

Assets limited as to use - investments	415,140
Self-insurance deposits	17,565,696
Cash reserve for liabilities	753,950

Total Assets Limited as to Use 18,734,786

Other Assets

Investments, at fair value, net of current portion	2,361,096
Security deposits	1,258,000
Loan receivable	4,510,000
Operating lease right-of-use assets	34,610,611
Fixed assets, net	6,855,116

Total Other Assets 49,594,823

Total Assets \$ 179,109,380

Rising Ground, Inc. and Affiliates
Consolidated Statement of Financial Position

June 30, 2025

Liabilities and Net Assets

Current Liabilities

Accounts payable	\$ 6,237,068
Accrued payroll and employee benefits	11,292,875
Accrued expenses and other liabilities	29,879,810
Due to government agencies, current portion	1,053,589
Accrued interest payable	9,831
Line of credit and notes payable, current portion	10,697,991
Finance leases liability	1,826
Operating leases liabilities, current portion	8,724,156
Bonds payable, current portion	195,000

Total Current Liabilities	68,092,146
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Due to Government Agencies, net of current portion	10,186,854
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Line of Credit and Notes Payable, net of current portion	402,648
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Operating Leases Liabilities, net of current portion	28,113,039
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Bonds Payable, net of current portion, unamortized discount and unamortized debt issuance costs	377,247
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Total Liabilities	107,171,934
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Commitments and Contingencies

Net Assets

Without donor restrictions	69,576,350
With donor restrictions	2,361,096

Total Net Assets	71,937,446
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Total Liabilities and Net Assets	\$ 179,109,380
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See accompanying notes to consolidated financial statements.

Rising Ground, Inc. and Affiliates

Consolidated Statement of Activities

Year ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues			
Program revenue	\$ 212,572,819	\$ -	\$ 212,572,819
Other income	146,600	-	146,600
Total Operating Revenues	212,719,419	-	212,719,419
Operating Expenses			
Program services:			
Child and Youth Development	59,542,115	-	59,542,115
Immigration	45,111,936	-	45,111,936
Developmental Disabilities	26,415,247	-	26,415,247
Children and Family Services	44,402,453	-	44,402,453
Health and Mental Health	9,640,598	-	9,640,598
Support to Survivors	4,636,358	-	4,636,358
Total Program Services Expenses	189,748,707	-	189,748,707
Supporting services:			
Management and general	27,524,967	-	27,524,967
Development	492,419	-	492,419
Total Supporting Services Expenses	28,017,386	-	28,017,386
Total Operating Expenses	217,766,093	-	217,766,093
Change in Net Assets, before non-operating revenues (expenses)	(5,046,674)	-	(5,046,674)
Non-Operating Revenues (Expenses)			
Investment income, net	6,686,331	-	6,686,331
Contributions	1,759,177	-	1,759,177
Special events	767,208	-	767,208
Direct costs of special events to donors	(128,090)	-	(128,090)
Gain on sale of property	1,543,713	-	1,543,713
Miscellaneous expenses	(52,000)	-	(52,000)
Total Non-Operating Revenues	10,576,339	-	10,576,339
Change in Net Assets	5,529,665	-	5,529,665
Net Assets, beginning of year	64,046,685	2,361,096	66,407,781
Net Assets, end of year	\$ 69,576,350	\$ 2,361,096	\$ 71,937,446

See accompanying notes to consolidated financial statements.

Rising Ground, Inc. and Affiliates
Consolidated Statement of Functional Expenses

Year ended June 30, 2025

	Program Services							Supporting Services				Total
	Child and Youth Development	Immigration	Developmental Disabilities	Children and Families	Health and Mental Health	Support to Survivors	Total Program Services	Management and General	Development	Direct Costs of Special Events	Total Supporting Services	
Employee Compensation and Benefits												
Salaries and wages	\$ 34,310,580	\$ 26,210,279	\$ 15,713,438	\$ 20,717,257	\$ 5,373,954	\$ 2,806,390	\$ 105,131,898	\$ 11,498,713	\$ 189,391	\$ -	\$ 11,688,104	\$ 116,820,002
Fringe benefits	8,860,328	6,885,060	4,064,527	5,373,056	1,384,813	742,896	27,310,680	2,884,808	42,337	-	2,927,145	30,237,825
Total Employee Compensation and Benefits	43,170,908	33,095,339	19,777,965	26,090,313	6,758,767	3,549,286	132,442,578	14,383,521	231,728	-	14,615,249	147,057,827
Specific Assistance to Individuals												
Payments to foster parents	-	1,239,174	-	7,191,164	-	-	8,430,338	-	-	-	-	8,430,338
Food	1,053,966	668,497	458,158	134,728	4,595	1,250	2,321,194	-	-	-	-	2,321,194
Children's allowances and activities	1,448,573	133,337	48,241	1,570,057	8,806	567,902	3,776,916	-	-	-	-	3,776,916
Consumer incidentals	2,002,865	-	14,799	-	-	-	2,017,664	-	-	-	-	2,017,664
Clothing	73,163	236,858	36,511	2,275	-	-	348,807	-	-	-	-	348,807
Total Specific Assistance to Individuals	4,578,567	2,277,866	557,709	8,898,224	13,401	569,152	16,894,919	-	-	-	-	16,894,919
Occupancy												
Interest expense	-	-	114,119	-	-	-	114,119	140,375	-	-	140,375	254,494
Rent	4,524,862	3,301,631	967,139	1,493,657	602,949	194,271	11,084,509	3,207,881	52,254	-	3,260,135	14,344,644
Utilities	1,005,686	631,759	364,125	107,031	53,548	7,383	2,169,532	244,736	437	-	245,173	2,414,705
Maintenance and repairs	1,251,976	768,509	1,191,164	318,781	52,027	66,209	3,648,666	477,418	981	-	478,399	4,127,065
Security	425,326	166,380	170,020	187,428	27,331	6,731	983,216	142,269	30	-	142,299	1,125,515
Janitorial services	188,328	176,250	80,708	164,920	66,033	13,200	689,439	237,773	790	-	238,563	928,002
Total Occupancy	7,396,178	5,044,529	2,887,275	2,271,817	801,888	287,794	18,689,481	4,450,452	54,492	-	4,504,944	23,194,425
Professional Fees												
Clinical services	2,600	-	350	788,209	169,026	-	960,185	-	-	-	-	960,185
Legal and audit	-	-	-	285,931	-	-	285,931	403,649	-	-	403,649	689,580
Other independent contractors	736,378	538,164	275,880	3,119,537	1,274,526	10,000	5,954,485	2,615,196	92,291	-	2,707,487	8,661,972
Total Professional Fees	738,978	538,164	276,230	4,193,677	1,443,552	10,000	7,200,601	3,018,845	92,291	-	3,111,136	10,311,737
Other												
Supplies	1,098,715	397,328	444,676	937,097	74,005	13,827	2,965,648	476,845	24,370	-	501,215	3,466,863
Transportation and other travel-related expenses	165,932	391,654	136,699	162,648	31,466	4,254	892,653	55,586	1,971	-	57,557	950,210
Insurance	945,771	982,940	728,373	340,912	66,659	39,486	3,104,141	1,177,487	777	-	1,178,264	4,282,405
Telephone	373,293	298,738	279,597	344,359	63,579	31,366	1,390,932	420,669	4,382	-	425,051	1,815,983
Vehicle rentals, repairs, and replacement	374,862	669,830	466,262	90,878	-	-	1,601,832	144,441	-	-	144,441	1,746,273
Equipment/furniture rentals, repairs, and replacement	208,440	282,227	148,347	297,221	41,491	47,048	1,024,774	728,315	9,330	-	737,645	1,762,419
Staff development	149,378	31,455	49,882	354,523	10,377	58,758	654,373	427,386	-	-	427,386	1,081,759
Staff recruitment	965	6,902	1,000	3,713	-	-	12,580	316,262	4,673	-	320,935	333,515
Printing, postage, subscriptions, and publications	-	8,060	2,154	4,132	27	342	14,715	238,027	42,636	-	280,663	295,378
Dues, licenses, and permits	-	161,877	2,501	11,187	86,425	-	261,990	75,376	-	-	75,376	337,366
Line of credit interest expense	-	-	-	-	-	-	-	544,519	-	-	544,519	544,519
Provision for credit losses	183,629	-	-	-	240,789	-	424,418	-	-	-	-	424,418
Miscellaneous	43,989	26,308	43,683	3,518	-	8,900	126,398	887,285	24,667	128,090	1,040,042	1,166,440
Total Other	3,544,974	3,257,319	2,303,174	2,550,188	614,818	203,981	12,474,454	5,492,198	112,806	128,090	5,733,094	18,207,548
Total Expenses, before depreciation and amortization	59,429,605	44,213,217	25,802,353	44,004,219	9,632,426	4,620,213	187,702,033	27,345,016	491,317	128,090	27,964,423	215,666,456
Depreciation and Amortization	112,510	898,719	612,894	398,234	8,172	16,145	2,046,674	179,951	1,102	-	181,053	2,227,727
Total Expenses	59,542,115	45,111,936	26,415,247	44,402,453	9,640,598	4,636,358	189,748,707	27,524,967	492,419	128,090	28,145,476	217,894,183
Less: expenses deducted directly from revenues												
Direct cost of special events to donors	-	-	-	-	-	-	-	-	-	(128,090)	(128,090)	(128,090)
Total Expenses Reported by Function	\$ 59,542,115	\$ 45,111,936	\$ 26,415,247	\$ 44,402,453	\$ 9,640,598	\$ 4,636,358	\$ 189,748,707	\$ 27,524,967	\$ 492,419	\$ -	\$ 28,017,386	\$ 217,766,093

See accompanying notes to consolidated financial statements.

Rising Ground, Inc. and Affiliates

Consolidated Statement of Cash Flows

Year ended June 30, 2025

Cash Flows from Operating Activities	
Change in net assets	\$ 5,529,665
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	2,227,727
Interest expense related to amortization of deferred issuance costs	26,254
Interest expense related to amortization of bond discount	4,864
Realized gains on investments	(691,753)
Unrealized gains on investments	(4,311,141)
Allowance for credit losses	(339,149)
Non-cash Operating lease expense	11,077,190
Gain on sale of fixed assets	(1,543,713)
Changes in:	
Accounts receivable	(9,458,777)
Other receivables	82,322
Prepaid expenses	(471,987)
Security deposits	153,420
Accounts payable	149,309
Accrued payroll and employee benefits	1,965,288
Accrued expenses and other liabilities	2,681,891
Due to government agencies	(515,704)
Accrued interest payable	(7,069)
Principal reduction in operating lease liabilities	(9,311,806)
Net Cash Used in Operating Activities	(2,753,169)
Cash Flows from Investing Activities	
Purchases of investments	(20,812,630)
Proceeds from sales of investments	19,482,799
Proceeds from sale of property	4,207,328
Change in assets limited as to use - investments	131,218
Purchases of fixed assets	(1,598,581)
Net Cash Provided by Investing Activities	1,410,134
Cash Flows from Financing Activities	
Principal payments of line of credit and notes payable	(10,900,956)
Proceeds from line of credit and notes payable	10,250,000
Principal payments on bonds payable	(435,000)
Principal payments on finance leases liability	(34,246)
Net Cash Used in Financing Activities	(1,120,202)
Net Decrease in Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents	(2,463,237)
Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents, beginning of year	24,122,702
Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents, end of year	\$ 21,659,465
Supplemental Disclosure of Cash Flow Information	
Cash paid during the year for interest	\$ 888,707
Right-of-use assets acquired through operating leases	7,089,122

See accompanying notes to consolidated financial statements.

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

1. Nature of Organization

Rising Ground is comprised of Rising Ground, Inc. (RG, Inc.); Fund for Rising Ground, Inc. (FRG); Rising Ground Employee Benefits Program Trust (the Trust); and Edwin Gould Services for Children and Families (EGSCF). RG, Inc. provides comprehensive social services including family stabilization, foster care, Early Head Start, residential and respite services for children and adults with developmental disabilities, therapeutic and community-based supports for survivors of intimate partner and/or gender-based violence, preschool special education, care for unaccompanied migrant children in our residences and our certified foster homes, residential treatment and group homes for youth with emotional and mental health challenges, residential and support services for runaway and homeless youth, and a spectrum of residential community based and treatment services for adjudicated youth and youth awaiting court action. Most families served live throughout New York City and Westchester County. The primary sources of revenue are the New York City Administration for Children's Services (NYCACs) and various New York State (NYS), New York City (NYC) and federal government agencies.

On June 29, 2021, the FRG was established to solicit, hold, manage, invest, and distribute charitable funds and real property for RG, Inc.; and perform the function of, or carry out the purposes of, RG, Inc., the sole member.

On June 23, 2020, the Trust was established to pay the costs of two welfare benefits plans, Leake and Watts Services Group Insurance Plan and Leake and Watts Services Health Plan. The Trust is maintained within Rising Ground but monitored in a separate cost center for tracking purposes.

On August 3, 2018, RG, Inc. closed on a Membership Agreement with EGSCF. By the Membership Agreement, RG, Inc. became the sole member of EGSCF. RG, Inc. became the parent agency and EGSCF is the subsidiary agency. According to the terms of the Membership Agreement, EGSCF will continue to provide services in connection with its purpose. RG, Inc. assumed no liabilities of EGSCF. On March 3, 2025 EGSCF filed a Petition for Dissolution with the Supreme Court of The State of New York, claiming that it is insolvent. That petition is still pending.

RG, Inc.'s program services consist of the following:

Residential Treatment Center

The Residential Treatment Center, in Yonkers, provides 24-hour residential care to youth ages 12 to 21 requiring more significant therapeutic and educational support. An enriched, structured program of activities coupled with clinical services assists youth with mental health concerns and challenging behaviors to develop the ability to participate fully in the surrounding community and to return to a less restrictive environment. While the majority of residents are placed in the RTC by their school district, some of the youth supported by the Residential Treatment Center are in foster care. After the closure of the Biondi School in 2023, in 2024, RG, Inc. became affiliated with the Greenburg North Castle School District and all residents now attend this school. This affiliation has allowed for increased enrollment in the program in 2024.

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

Foster Care Programs

Enhanced Family Foster Care

The Enhanced Family Foster Care program serves children who have experienced abuse and neglect and have been removed from their parent or guardian's care. The goal in all cases is to establish a permanent appropriate living arrangement for the child, preferably via reunification with their birth family. If that is not possible, the goal is to establish a home with an adoptive family or another permanent resource or to prepare the youth to live independently. Key to these efforts are several unique programs that help guide a child's and their family's future toward a positive path including Co-Parenting; Parents Supporting Parents; and Mentored Internship Program.

Supervised Independent Living Program

RG, Inc. is one of four providers citywide that provides services to foster youth ages 18-21 through the Supervised Independent Living Program (SILP). Supporting up to 12 youth at any given time, in apartments, with staff support, youth learn the skills necessary to live independently.

Youth Reception Centers

RG, Inc. has two preplacement sites where they house the most vulnerable youth and children during the critical time between their removal from their parents care and their placement into the foster care system. RG, Inc. provides a nurturing, homelike experience for children during this time of transition.

Intimate Partner and Gender-Based Violence Prevention and Youth Centered Services

Paths to Healing

Paths to Health, RG, Inc.'s array of intimate partner/gender-based violence programs, are committed to both healing and prevention. Community-based services support survivors and their families to overcome histories of abuse to find positive paths forward through clinical service provision, access to entitlements and other financial supports and providing advocacy and a voice to a population that is all too often silenced. RG, Inc.'s STEPS to End Family Violence Criminalized Survivors program specially focuses on the needs of incarcerated survivors. In Respect and Responsibility, RG, Inc. works with those who have caused or those who recognize the potential to cause harm, to explore root causes and envision healthy relationships. RG, Inc. is also the clinical service provider at the Staten Island Family Justice Center.

In addition to these programs, RG, Inc. has added clinical supports to survivors of community violence through our Trauma Recovery Center and newly added contract from the Mayor's Office to End Domestic and Gender Based Violence.

Paths to Success

Paths to Success, RG, Inc.'s division of youth development services includes the following programs: Relationship Abuse Prevention Program RAPP and Early RAPP which teach middle and high school students to recognize and change destructive patterns of behavior before transitioning into adult relationships. Additionally, JustUs is a gender-responsive diversion program for girls and LGBTQ+ young people who are either involved, or at high risk of involvement, in the juvenile legal system.

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

In 2024, Paths to Success, RG, Inc. began to work to identify, prevent and support youth who may be at risk for Human Trafficking through a private grant.

Community School Services, in collaboration with the NYC Department of Education, works with three schools in the Bronx. Educators; RG, Inc. staff; and families share leadership and organize resources so that academics, social services, and other supports are integrated into the fabric of the school. These combined supports help the school better address the needs of young people, resulting in improved student learning, stronger families, and healthier communities.

Preventive Services Programs

Preventive Services

RG, Inc.'s, Preventive Services Programs strengthen and preserve families, keep children safe by preventing child abuse and neglect, and prevent the necessity of placing children in foster care utilizing four evidence-based models in seven distinct programs supporting up to 688 families that have proven track records of success, Family Connections Solution based Casework, Child Parent Psychotherapy and Functional Family Therapy - Child Welfare adaptation.

The Fatherhood Initiative

Contracted by NYC's Department of Youth and Community Development (DYCD), the Fatherhood Initiative supports 217 non-custodial fathers to build healthy relationships with their children and co-parent.

Atlas

Subcontracted through United Way of New York City, Atlas utilizes the Functional Family Therapy (FFT) model to help support court involved or at-risk youth to successfully integrate back into the community. This program began in 2020 working with youth released to their own recognizance and has been continued and expanded twice and is contracted to support 180 youth.

Center Based Respite

Center Based Respite (CBR) is a short term (up to 21 days) program to support families who are experiencing a crisis. Families may place their children into CBR's care for a period of respite while tending to the crisis that they are managing. This program is voluntary and is designed to prevent child welfare involvement for families who are struggling with a short-term crisis and lack resources to support them.

Immigration Services

Passage of Hope

RG, Inc.'s Passage of Hope program serves undocumented migrant children from an array of countries and regions who have come into the United States without an adult guardian. These children are temporarily taken into the custody of the Department of Health and Human Services, Office of Refugee Resettlement (ORR) and placed with Passage of Hope so they may receive a myriad of services (medical, clinical, education, legal, etc.) while they are reunified with their families in the U.S.

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

Home Study/Post Release Services

In 2024, the program began to offer Home Study and Post Release Services to provide an additional layer of oversight and support to children released from ORR's care. This case management/clinical approach provides additional review of homes prior to the child's release to the sponsor as well as supports to the newly reunified family once the child is in the home.

Runaway Homeless Youth Services

Transitional Independent Living (TIL) and Crisis Residences

Runaway Homeless Youth Services (RHY), contracted through NYC's DYCD include its Transitional Independent Living (TIL) programs which houses and assists up to 164 runaway and homeless youth ages 16 to 21 while they transition into independent living. RG, Inc is also a provider of Crisis Residential Services to up to 20 youth while they await placement in a TIL or other housing option.

Drop-In Centers

The Drop-In Centers are comprised of two City Contracts: Safe Space Drop-in Center in Jamaica and the Safe Space Drop-in Center in Far Rockaway serving at risk, runaway, and homeless youth aged 14-24. In addition to shelter, meals, and a place to shower and do laundry, the Centers provide youth with case management, crisis counseling, mental health services, referrals for substance abuse and medical programs, assistance with GED, education. RG, Inc. supports over 3,400 youth per year in the drop-in centers.

Rapid Rehousing

Starting in 2023, through a contract with the Federal Office of Housing and Urban Development (HUD), RG, Inc. Began to support youth in their own apartments through Rapid Rehousing which is a housing first, rent subsidy program that places up to 103 youth in their own apartments while providing them with essential supports to ensure their success after discharge from our program.

Health Services

Article 29I Clinic

Young people in RG, Inc.'s Foster Care, Residential and Non-Secure Placement programs also receive services and referrals from RG, Inc.'s Health Service programs to ensure that their health and mental health needs are met.

Children and Family Treatment and Support Services (CFTSS)

CFTSS is a community based mental health program that provides clinical services (such as individual and family therapy) as well as non-clinical supports such as skills building to children and youth who are at risk of a mental health diagnosis and their families.

Article 31 Mental Health Clinic

The Article 31 Clinic, comprised of the main clinic located in the Jamaica Hub, a satellite clinic in Far Rockaway and two school based mental health clinics, provides evaluation, therapy through

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licensed mental health providers, as well as psychiatric evaluation and medication management. These services are offered both in person and through virtual platforms.

Developmental Disabilities Services

Developmental Disabilities Services include community-based programs such as community residences and supported apartments, prevocational services, supportive employment, day habilitation services, and Medicaid Service Coordination for both children and adults. RG, Inc.'s supportive clinical practices address the associated emotional, behavioral, and psychological issues/disorders in order to assist its consumers in living more fulfilling lives.

Early Childhood Programs

The Ames Preschool

The George and Marion Ames Early Childhood Center serves students ages 18 months to five years. Program components include an early childhood educational curriculum that prepares children for their school years, promoting creativity, pre-academic skills, socialization, independence, bilingual (Spanish) services, parent involvement, and linkage to community and social services.

Early Head Start

Located in the Bronx and Brooklyn, RG, Inc.'s federally funded Early Head Start program serves pregnant women, infants, and toddlers living at or below the poverty level. This work is done in family childcare centers throughout the Bronx and Brooklyn as well as in the homes of the families supported by the program.

Family Resource Center

The Family Resource Center provides a wide range of free services to children and families in the Soundview section of the Bronx. Services include computer lab, recreational activities for families, infant and toddler play groups, parent support groups, money management workshops, assistance connecting to Adult Education programs, and additional social services.

Parent-Child Home Program

The Parent-Child Home Program provides support to low-income families in the Bronx with children ages 18 months to 33 months. This evidence-informed, early childhood home-visiting program focuses on developing pre-literacy skills to promote school readiness, promoting positive parenting skills, building positive child-parent interactions, and enhancing children's social and emotional development.

Maternal Child Health (MCH)

The MCH program is an early childhood home visiting program based out of the Jamaica Hub. This program is funded by two grants (OCFS, and a subcontract of a Federal Grant) using the Healthy Families and Healthy Start models. This work is aimed to improve health outcomes of families of infants and toddlers through education and access to resources and supports.

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Juvenile Justice Services

Juvenile Justice Services include secure to non-secure placement programs for court involved youth, all of which are based on the belief that young people with histories of delinquency need support, education, and other tools to return safely and successfully to their communities and break the cycle of delinquency.

Limited Secure Placement

RG, Inc.'s Limited Secure Placement program (LSP) is a residential program serving adjudicated youth ages 14 to 18 (and on occasion, an older or younger youth may be served). Both general and specialized populations are served. RG, Inc. ensures that youth are able to develop their academic, pre-vocational, and communications skills through various aspects of the program and work with family members to maintain and strengthen the youth's connection with their family and community. Aftercare services are also provided to youth around New York City who are transitioning out of LSP programs.

Non-Secure Placement

RG, Inc.'s Non-Secure Placement program is also part of the residential care continuum for adjudicated Juvenile Delinquents in New York City ages 12 to 14. The program is community-oriented and family-focused, using the nationally recognized treatment method, the Missouri Model, that involves grouping youth into small cohorts of ten to 12 with whom they live, attend school, participate in recreational activities, and receive counseling.

Family Respite

The Family Respite program serves youth ages seven to 17 who are at risk of contact with the juvenile justice system by providing respite services for up to 21 days. The program staff also refers families to appropriate community-based services for sustained assistance.

Juvenile Justice Initiative and Aftercare

The Juvenile Justice Initiative and Aftercare program expands RG, Inc.'s implementation of the Functional Family Therapy evidence-based model in the juvenile justice field. It provides home-based Alternative-to-Placement and Aftercare Services for up to 52 youth involved in NYCACS's Juvenile Justice Initiative throughout the Bronx and Manhattan annually.

Community Programs

Children's Health Home Care Management

Care Management enables RG, Inc. to serve as a downstream Care Management Agency (CMA) providing comprehensive care management services to children and their families who meet necessary criteria. This program is designed to wrap community services around the families specific to their health and mental health needs with the goal of reducing emergency room visits, hospital stays and improving the family's quality of life within the community.

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Jamaica Community Partnership

The Jamaica Community Partners (JCP) program serves as the “backbone” agency for a collective of organizations that support the Jamaica Community. The JCP program is a primary preventive, community-facing program that provides concrete support to the community and its members.

Family Enrichment Center

The Family Enrichment Center (FEC) is a community led program where services and offerings are designed by the community to meet the needs of the East Flatbush Community. “The Yard” serves as a space where community can gather, get the resources that they need and work together to strengthen to community. The work of this program is designed from a primary prevention framework.

2. Principles of Consolidation

The accompanying consolidated financial statements of Rising Ground, include the accounts of RG, Inc.; the Trust; EGSCF; and FRG. All material intercompany transactions and balances have been eliminated in the consolidated financial statements.

3. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of Rising Ground have been prepared on the accrual basis of accounting. In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Consolidated Financial Statement Presentation

The classification of a not-for-profit organization’s net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets—with and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Without Donor Restrictions - This class consists of net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operations of Rising Ground.

With Donor Restrictions - This class consists of net assets whose use is limited by donor-imposed, time and/or purpose restrictions. Rising Ground reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restriction is accomplished—the nets assets are reclassified as net assets without donor restriction and reported in the consolidated statement of activities as net assets released from restrictions. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature), while permitting Rising Ground to expend the income generated

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by the assets in accordance with the provisions of additional donor-imposed stipulations. At June 30, 2025, Rising Ground had net assets with donor restrictions held in perpetuity of \$2,361,096. See Note 12 for further discussion of net assets with donor restrictions held in perpetuity.

Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents

For purposes of the consolidated statement of cash flows, Rising Ground considers all liquid investments with original maturities of three months or less, at the date of purchase, to be cash equivalents.

Cash, cash equivalents, restricted cash, and restricted cash equivalents consist of the following:

June 30, 2025

Cash and cash equivalents	\$ 3,339,819
Self-insurance deposits	17,565,696
Cash reserve for liabilities	753,950
Total	\$ 21,659,465

Fair Value Measurements

Accounting principles generally accepted in the United States of America (GAAP) establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimize the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are those that market participants operating within the same marketplace as Rising Ground would use in pricing Rising Ground's asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of Rising Ground are traded. Rising Ground estimates the price of any asset or liability for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets or liabilities would use as determined by the money managers for each investment based on best information available in the circumstances.

The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuations are based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Valuations are based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

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Investments - Certificates of Deposit

Certificates of deposit with maturities greater than three months, at the date of purchase, are valued at contract value and are considered investments for cash flow purposes.

Accounts Receivable, Net of Current Expected Credit Losses

Rising Ground's accounts receivables are recorded at the reimbursable or contracted amount and do not bear interest. Billings for services are included in revenue and relate to established rate agreements with a duration of less than one year. Adjustments to the estimated payment amounts that are expected to be received upon final settlement with the payors are reviewed at the end of each reporting period, and upon final settlement are recorded as an adjustment to revenue.

Accounts receivable balances are further reduced by an allowance for current expected credit losses. Rising Ground adopted the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326, *Financial Instruments - Credit Losses*, model in their financial statements for the year ended June 30, 2025.

Rising Ground review their accounts receivables on a regular basis and analyze these balances for potential credit losses based on a "roll-rate" methodology. Under a "roll-rate" methodology, loss rates for each aging bucket take into account the migration of each balance through the various aging buckets to determine the appropriate credit loss rate for each bucket. Rising Ground consider other available external data and management's reasonable outlook for business and economic conditions over the life of the receivables. In accordance with ASC 326-20-30-2, Rising Ground determined that similar risk characteristics existed for receivables with similar days outstanding, regardless of payor class; therefore, the pools for the allowance for credit losses were calculated based on aging buckets. This is consistent with Rising Ground's previous methodology for calculating their allowance.

Management anticipates that historic loss rates will be consistent during the next fiscal year and concluded that no adjustments to its methodology or inputs are required. Management applies these forecasts to create the following credit loss matrix to calculate the allowance for credit losses:

June 30, 2025

Allowance for Credit Losses Balance, July 1, 2024	\$ 1,168,275
Provision for expected credit losses for the current period	424,418
Write offs charge against the allowance	(763,567)
Allowance for Credit Losses Balance, June 30, 2025	\$ 829,126

There were no recoveries on prior years credit losses for the year ended June 30, 2025. Recoveries when received are recorded as a reduction in the credit loss expense.

Assets Limited as to Use

Investments whose assets are set aside under the terms of various bond agreements as well as the Replacement Reserve Fund. The Replacement Reserve Fund is used specifically for repair and maintenance of New York State Office for People with Developmental Disabilities (OPWDD) - funded Individualized Residential Alternative (IRA) residences. Rising Ground has also deposited funds designated for its self-insured healthcare costs which are classified as assets limited as to use. All

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assets limited as to use are held in U.S. Treasury obligations and money market funds.

Fixed Assets, Net

Fixed assets, net, are stated at cost, or fair market value if donated, less accumulated depreciation and amortization. Rising Ground capitalizes fixed assets that have a useful life of greater than one year and cost of \$5,000 or more. Depreciation is computed on the straight-line basis over the estimated useful life of the assets. Assets acquired through finance leases and leasehold improvements are amortized over either the remaining term of the underlying lease or the useful lives of the improvements, whichever is shorter, using the straight-line method.

The current estimated useful lives are as follows:

	Years
Building and building improvements	10-40
Furniture, fixtures, and equipment	3-10
Leasehold improvements	3-20

Long-Lived Asset Impairment

Rising Ground evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be fully recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. There were no impairment charges recorded during the year ended June 30, 2025.

Contract Liability

A contract liability represents revenue that has been deferred for the funds advanced by various government agencies for Rising Ground's contracts related to services that have not yet been provided to customers. Contract liabilities consist of payments made by funding sources for Rising Grounds' contracts for services not yet performed and are expected to be performed within the next fiscal year. Contract liabilities are included in accrued expenses and other liabilities in the consolidated statement of financial position at June 30, 2025.

Due to Government Agencies

From time to time, Rising Ground will receive overpayments from third-party payers resulting in amounts owed back. The consideration Rising Ground has received from governmental agencies for which it does not expect to be entitled to is recorded as a refund liability. Refund liabilities are included in the amounts due to government agencies in the consolidated statement of financial position at June 30, 2025.

Debt Issuance Costs

Debt issuance costs are reflected as a direct reduction of the carrying amount of the related debt and are amortized over the term of the related debt using the straight-line method, which

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approximates the effective interest method. Amortization of debt issuance costs is included in interest expense in the consolidated statement of functional expenses.

Government and Other Grants and Contracts

Rising Ground receives revenues from various governmental agencies, including the OPWDD, New York City Administration for Children's Services, DYCD, and others. Government and other grants and contract revenues are non-exchange transactions in which no commensurate value is exchanged. Accordingly, contributions accounting is applied under ASC Topic 958, *Not-for-Profit Entities*. Government and other grants and contract revenue are evaluated for contributions that are conditional. Factors indicating the existence of a conditional contribution include the presence of a barrier that must be overcome and either a right of return of the assets transferred or a right of release of the funder's obligation to transfer the assets. Government and other grants and contract revenue are recognized when the conditions are satisfied, which is generally when the expenditures for each contract are incurred. Reimbursements are subject to audit and retroactive adjustment by the respective third-party fiscal intermediary.

Contributions

Contributions and promises to give are recorded as revenue at the time they are made or pledged unconditionally and supported by a written commitment. Contributions are classified as either with or without donor restrictions. Contributions are nonexchange transactions in which no commensurate value is exchanged. Therefore, contributions fall under the purview of FASB ASC Topic 958.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Contributed Costs and Revenues

Rising Ground operates programs where facility costs and consumable supplies are paid directly by New York City. Rising Ground reports these amounts as operating revenues and expenses.

Investment Income, Net

Investment income, net, is recognized when earned and consists of interest, dividends, and realized and unrealized gains and losses, less direct external investment expenses. Dividends are recorded at the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the program, management and general, and development categories based on ratio value and other methods as determined by management. Depreciation is allocated based on estimated use of square footage. Employee expenses are allocated based on headcount and time studies. Other expenses are allocated based on estimates of time and effort.

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Measure of Operations

Rising Ground's change in net assets from operations includes revenues and expenses directly related to the provision of program services. Investment income, net, contributions, both with and without donor restrictions, special events and related direct costs, and net assets released from restrictions are considered non-operating.

Interpretation of Relevant Endowment Law

Rising Ground follows the provisions of GAAP related to enhanced disclosures for all endowment funds. Rising Ground has also adopted the provisions of the New York Prudent Management of Institutional Funds Act (NYPMIFA), which was enacted by the State of New York on September 17, 2010. Specifically, Rising Ground classifies the portion of endowment funds that is not classified as with donor restrictions (time-restricted) until appropriated for expenditure by Rising Ground. If the endowment fund is also subject to a purpose restriction, the reclassification of the appropriated amount to without donor restrictions does not occur until the purpose restriction has been met.

Risks and Uncertainties - Investments

Rising Ground's investments consist of a variety of investment securities. Such securities are subject to various risks that determine the value of the funds, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain securities and the level of uncertainty related to changes in the value of these securities, it is reasonably possible that changes in market conditions in the near term could materially affect the value of Rising Ground's investments reported in the accompanying consolidated financial statements.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject Rising Ground to concentrations of credit risk consist primarily of cash and cash equivalents. At times, Rising Ground has deposits at financial institutions that exceed the Federal Deposit Insurance Corporation insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal.

Rising Ground received approximately 47% of their operating revenues from the city of New York for the year ended June 30, 2025.

79% of Rising Ground's accounts receivable at June 30, 2025 are from the city of New York.

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Income Taxes

RG, Inc. and EGSCF are charitable organizations that are exempt from federal, state, and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, have made no provision for income taxes in the accompanying consolidated financial statements. In addition, RG, Inc. and EGSCF have been determined by the Internal Revenue Service (IRS) not to be a “private foundation” within the meaning of Section 509(a) of the Code. There was no unrelated business income for 2025.

Rising Ground has not taken an unsubstantiated tax position that would require provision of a liability under GAAP. Under GAAP, an organization must recognize the tax liabilities associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination. Rising Ground does not believe there are any material uncertain tax positions and, accordingly, has not recognized any liability for unrecognized tax benefits as of June 30, 2025. Rising Ground has filed IRS Form 990 tax returns, as required, and all other applicable returns in jurisdictions where it is required. For the year ended June 30, 2025, there were no interest or penalties recorded or included in the accompanying consolidated financial statements. Rising Ground is subject to routine audits by taxing authorities. As of June 30, 2025, Rising Ground was not subject to any examination by a taxing authority.

4. Revenue from Contracts with Customers

Service Revenue

Rising Ground receives funding from Medicaid, New York City, and New York State through fees and government grants. Revenue is reported at the amount that reflects the consideration to which Rising Ground expects to be entitled in exchange for providing the contracted services. These amounts are due from third-party payors (including government programs) and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, Rising Ground bills the third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied.

Reimbursement methodologies for major programs at Rising Ground are as follows:

Education and Early Childhood

Rising Ground’s school programs are regulated and funded by the New York State Education Department. A tuition rate per student is established based upon enrollment, actual cost data, geographic location, and other cost “screens” prescribed by the State. Fluctuations in enrollment and costs can have a significant impact on Rising Ground’s receipt of a rate sufficient to cover program costs. Per diem tuition rate per student is subject to final reconciliation based on audited financial statements. Revenue and support payments have been reconciled with the NYS Rate Setting Unit through the fiscal year ended June 30, 2017.

Foster Care, Residential Treatment, and Medical and Mental Health Services

The principal source of revenue consists of support payments received from the City of New York (the City) and Westchester County for congregate and foster boarding home care, and health care provided to children referred to Rising Ground. Such payments based initially upon per diem rates established annually by the New York State Office of Children and Family Services (NYS-OCFS),

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NYCACS, and the State Department of Health, are finalized after the reported costs and days of care are audited. Revenue for support payments from NYCACS is subject to audit.

Developmental Disabilities Services

Developmental Disabilities Services including community-based programs such as group homes and supported apartments, prevocational, respite/recreation services, supportive employment, day services for adults and children, and Medicaid Service Coordination are funded through contracts with OPWDD and by Medicaid, based on rates established by OPWDD.

Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the funding source's ability to pay are recorded as bad debt expense.

For the year ended June 30, 2025, Rising Ground recognized revenue from goods and services that transfer to the customer over time. There were no revenues recognized from goods and services that transfer to the customer at a point in time.

Performance Obligations and Transaction Price Allocated to Remaining Performance Obligations

Because all of its performance obligations relate to contracts with a duration of less than one year, Rising Ground has elected to apply the optional exemption provided in *FASB Revenue from Contracts with Customers* (ASC 606), ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The performance obligations for these contracts are generally completed when the service is completed and upon submission of required documentation.

Significant Judgments

The initial estimate of the transaction price is determined by reducing the established rates for services provided by any implicit price concessions based on historical collection experience with each government agency. Rising Ground has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the payors and services provided. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, and Rising Ground's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known based on newly available information or as years are settled or are no longer subject to such audits, reviews, and investigations.

From time to time, Rising Ground will receive overpayments from third-party payors resulting in amounts owed back. These amounts are excluded from revenues and are recorded as liabilities until they are refunded. As of June 30, 2025, Rising Ground has a liability of refunds to funding sources

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recorded of \$11,240,443. These amounts are recorded as amounts due to government agencies on the consolidated statement of financial position. Rising Ground has entered into payment agreements for certain repayments, and therefore amounts are classified between current and long-term based upon those payment schedules.

Revenue Composition

The composition of revenue by payor pertaining for items subject to revenue recognition standard is as follows:

Year ended June 30, 2025

	Operating Income	Non-Operating Income	Total
NYC Government Agencies	\$ 24,396,162	\$ -	\$ 24,396,162
Medicaid	36,374,405	-	36,374,405
Other	163,000	-	163,000
Managed Care	4,938,604	-	4,938,604
Total Revenue Subject to ASC 606	65,872,171	-	65,872,171
Total Revenue Not Subject to ASC 606	146,847,248	10,576,339	157,423,587
Total	\$ 212,719,419	\$ 10,576,339	\$ 223,295,758

All revenues subject to ASC 606 listed above were recognized as the service transferred over time. Other revenues not subject to the revenue recognition standard related to revenues which were determined to not be exchange transactions.

Financing Component

Rising Ground has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from customers and third-party payors for the effects of a significant financing component due to Rising Ground's expectation that the period between the time the service is provided to a customer and the time that the customer or third-party payor pays for that service will be one year or less.

Contract Costs

Rising Ground has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred, as the amortization period of the asset that Rising Ground otherwise would have recognized is one year or less in duration.

5. Investments, at Fair Value

Rising Ground's investments recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with GAAP. See Note 3 for a discussion of Rising Ground's policies regarding this hierarchy.

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The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Rising Ground's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels. A description of the valuation techniques applied to the Rising Ground's investments measured at fair value are as follows:

U.S. Treasury Obligations, Equities, and Mutual Funds - These investments are carried at their aggregate market value as determined by quoted market prices. These investments are classified as Level 1.

Investments, at fair value, of Rising Ground are as follows:

June 30, 2025

	Level 1			Level 2	Level 3	Total
	Investments	Assets Limited as to Use	Total Level 1			
Investments, at fair value:						
U.S. Treasury obligations	\$ 734,368	\$ 415,140	\$ 1,149,508	\$ -	\$ -	\$ 1,149,508
Equities	43,791,144	-	43,791,144	-	-	43,791,144
Mutual funds	13,772,008	-	13,772,008	-	-	13,772,008
Total Investments, at Fair Value	\$58,297,520	\$ 415,140	\$58,712,660	\$ -	\$ -	\$58,712,660

There have been no changes in the methodologies used at June 30, 2025. There were no transfers between levels during the year ended June 30, 2025.

6. Accounts Receivable, Net of Allowance for Current Expected Credit Losses

Accounts receivable, net, consists of the following:

June 30, 2025

New York City - government agencies	\$ 40,354,627
New York State - government agencies	5,252,950
Federal contracts	3,177,977
Other	1,208,738
Managed Care	854,255
Total Accounts Receivable	50,848,547
Less: allowance for current expected credit losses	(829,126)
Total Accounts Receivable, net of allowance for current expected credit losses	\$ 50,019,421

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7. Fixed Assets, Net

Fixed assets, net, consist of the following:

June 30, 2025

Building and building improvements	\$ 16,019,763
Leasehold improvements	10,151,500
Furniture, fixtures, and equipment	15,868,712
Total Fixed Assets	42,039,975
Less: accumulated depreciation and amortization	(35,761,898)
Add: construction in progress	577,039
Fixed Assets, Net	\$ 6,855,116

Depreciation and amortization expense for the year ended June 30, 2025 totaled \$2,227,727. Equipment included in fixed assets, net costing \$1,749,488 and associated accumulated amortization of \$1,740,160 are subject to finance lease agreements as described in Note 9.

There is no cost to complete expected on the construction in progress. The fixed assets will begin being depreciated when they are placed into service.

8. Line of Credit and Notes Payable

(A) On September 1, 2021, Rising Ground assumed the balance of EGSCF's mortgage loan agreement with Citi Bank N.A. in the amount of \$362,832 maturing November 1, 2026. Principal payments of \$5,743 are due monthly plus interest calculated at 5.00% per annum. The loan is secured by mortgages on the land, building, and fixtures of a property in Bronx, New York.	\$ 97,637
(B) On September 1, 2021, Rising Ground assumed the balance of EGSCF's 15-year mortgage for the purchase of a Queens, New York property for an IRA program with Citi Bank N.A. The loan balance at the date of the transfer was \$347,882 and matures July 2028. Principal payments of \$4,191 are due monthly, plus interest calculated at 4.10% per annum. The loan is secured by a mortgage on the land, building, and fixtures of the Queens property.	155,080
(C) On September 1, 2021, Rising Ground assumed the balance of EGSCF's 15-year mortgage for the purchase of a Manhattan, New York property for an IRA program with Citi Bank N.A. The loan balance at the date of the transfer was \$649,892 and matures July 2029. Principal payments of \$6,565 are due monthly, plus interest calculated at 5.00% per annum. The loan is secured by a mortgage on the land, building, and fixtures of the Manhattan property.	347,922
(D) Effective July 7, 2023, Rising Ground renewed their revolving line of credit in the amount of \$8,000,000. The line of credit matures after one year and bears a variable base index rate equal to the greater of: (a) the greater of 0% and the then current rate of interest published by The Wall Street Journal from time to time as the U.S. "Prime Rate" and (b) the greater of 0% and the then current weighted average of the rate of overnight federal funds transactions with members of the Federal Reserve {12180178:6} 3 System as published by the Federal Reserve Bank of New York (Federal Funds Effective Rate) plus 0.5% and the interest rate at June 30, 2025 was 7.50%. The line of credit is secured by accounts receivable and is guaranteed by EGSCF and the Trust. Effective July 31, 2024, the revolving line of credit was renewed and expanded to \$13,000,000 which matures February 28, 2026.	10,500,000
	\$ 11,100,639

Rising Ground, Inc. and Affiliates
Notes to Consolidated Financial Statements

Principal payments for the line of credit and all notes payable over the remaining line of credit and notes payable term are as follows:

<i>Year ending June 30,</i>			
2026	\$	10,697,991	
2027		157,788	
2028		129,071	
2029		115,789	
Total Line of Credit and Notes Payable		11,100,639	
Less: current portion		(10,697,991)	
Line of Credit and Notes Payable, net of current portion	\$	402,648	

There are certain financial covenants associated with RG, Inc.'s and EGSCF's lines of credit and loans payable for the year ended June 30, 2025. As of June 30, 2025, RG, Inc. and EGSCF were in compliance with these covenant requirements.

Interest expense related to the line of credit and notes payable was \$634,695 for the year ended June 30, 2025. Interest is included as a component of interest expense and line of credit interest expense on the accompanying consolidated statement of functional expenses.

9. Leases

Rising Ground leases certain property and equipment under finance and operating leases. Leases are classified as either finance or operating leases based on the underlying terms of the agreement and the criteria included in GAAP.

For leases with initial terms of greater than one year, Rising Ground records the related right-of-use (ROU) assets and liabilities at the present value of the remaining lease payments to be paid over the life of the related lease. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the present value of the remaining lease payments unless Rising Ground is reasonably certain to exercise the option to extend the lease. The present value of the lease payments is calculated by utilizing the discount rate stated in the lease, when readily determinable. For leases for which a discount rate is not readily available, Rising Ground has elected to use the incremental borrowing rate based on the information available at the lease inception date. Rising Ground has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes, as permitted by GAAP. As such, Rising Ground accounts for the applicable non-lease components together with the related lease components when determining the ROU assets and liabilities. Rising Ground has made an accounting policy election not to record leases with an initial term of less than one year as ROU assets and liabilities in the consolidated statement of financial position.

Rising Ground, Inc. and Affiliates
Notes to Consolidated Financial Statements

The following tables summarize information related to the lease assets and liabilities:

Year ended June 30, 2025

Lease costs:

Finance lease cost:		
Amortization of ROU assets	\$	1,697,119
Interest on lease liabilities		654
Operating lease cost		11,077,190
Total Lease Cost	\$	12,774,963

June 30, 2025

ROU assets and liabilities:

Finance lease ROU assets, net	\$	9,328
Finance lease liabilities		1,826
Operating lease ROU assets		34,610,611
Operating lease liabilities		36,837,195

Year ended June 30, 2025

Other information:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases	\$	34,246
Operating cash flows from operating leases		9,311,806

Weighted-average remaining lease term - finance leases	0.3 years
Weighted-average remaining lease term - operating leases	18.0 years
Weighted-average discount rate - finance leases	5.08%
Weighted-average discount rate - operating leases	5.06%

For finance leases, ROU assets are recorded in fixed assets, net and lease liabilities are recorded in finance leases payable on the accompanying consolidated statement of financial position. For operating leases, ROU assets are recorded in operating lease ROU assets and lease liabilities are recorded in operating leases payable on the accompanying consolidated statement of financial position.

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Rising Ground, Inc. and Affiliates
Notes to Consolidated Financial Statements

Finance Leases

Hewlett-Packard Financial Services

Rising Ground entered into an equipment financing agreement with Hewlett-Packard Financial Services Company to lease computer equipment, as follows:

(a) \$24,141 in November 2020. Payments of \$457, including imputed interest at an estimated annual rate of 5.08% charged on the outstanding balance, are due monthly. The lease matures in October 2025.	\$	1,826
	\$	1,826

The following is a schedule of future minimum lease payments, including interest under the term of the lease, together with the present value of the net minimum lease payments.

Year ending June 30,

2026	\$	1,845
		1,845
Less: amounts representing interest		(19)
Total		1,826
Less: current portion		(1,826)
Long-Term Obligation Under Finance Leases	\$	-

Operating Leases

The following table reconciles the undiscounted operating lease payments to the lease liabilities recorded on the accompanying consolidated statement of financial position at June 30, 2025:

Year ending June 30,

2026	\$	11,690,447
2027		7,019,512
2028		5,917,474
2029		4,499,525
2030		3,317,742
Thereafter		44,409,234
		76,853,934
Less: amounts representing interest		(40,016,739)
Total		36,837,195
Less: current portion		(8,724,156)
Long-Term Obligation Under Operating Leases	\$	28,113,039

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

10. Bonds Payable

Series 2013B-1 and Series 2013B-2

On May 9, 2013, the Dormitory Authority of the State of New York (DASNY) issued Series 2013B-1 and Series 2013B-2 Bonds aggregating \$4,035,000 for the purpose of the financing and refinancing of costs incurred in connection with (a) 1035 E. 233rd Street, Bronx (233rd Street) for \$965,000; (b) 634 East 241st Street, Bronx (241st Street) for \$590,000; (c) 954 East 211th Street, Bronx (211th Street) for \$550,000; (d) 1623 Glover Street, Bronx (Glover Street) for \$715,000; (e) 4316 Van Cortland Parkway East, Bronx (Hurst House) for \$640,000; and (f) 450 Castle Hill Avenue, Bronx (Castle Hill) for \$575,000.

One-twelfth of the annual principal payment and one sixth of the semiannual interest payment are paid to the bond trustee monthly. The debt service schedule (term of loan) for each facility coincides with its reimbursement commitment from OPWDD. The principal balance outstanding on the bonds at June 30, 2025 was \$605,000.

The bonds are secured by a second mortgage lien on each facility and a subordinate lien on the Public Funds attributable to the Facilities secured by a Stand-by Intercept Agreement with OPWDD. At June 30, 2025, the amount held in the debt service reserve fund was \$193,286; the amount held in the debt service fund was \$221,854. These amounts are reflected as investments limited as to use on the accompanying consolidated statement of financial position. The rate of interest on the bonds ranges from 2% to 3.25%.

Bond proceeds from the Series 2013B-1 and 2013B-2 were also used to pay the cost of issuance of the bonds totaling \$256,243 and the bond discount of \$47,860. At June 30, 2025, the unamortized debt issuance cost was \$27,634. At June 30, 2025, the unamortized bond discount was \$5,119.

On December 23, 2024, RG repaid \$105,000 related to the sale of Castle Hill (450 Castle Hill Avenue, Bronx.) bond.

11. Commitments and Contingencies

Workers' Compensation Liability

During the period from January 2000 to December 2005, workers' compensation coverage was provided by the Provider Agency Trust for Human Services (the Provider Agency Trust). In May 2015, Rising Ground agreed to a settlement of \$562,976, plus interest at 3.5%, resulting in 120 monthly payments of \$5,567 beginning July 2015. As of June 30, 2025, this liability was paid in full.

Litigation

Rising Ground is involved with third parties in legal matters in which damages and other remedies are sought. Such suits and claims are either specifically covered by insurance or are not material. While the outcome of these suits cannot be determined at this time, management believes that any loss which may arise from these actions will not have a material adverse effect on the financial position or results of operations of Rising Ground.

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

Funding Source Audits

Rising Ground is responsible for reporting to several third parties. These agencies, as well as all of Rising Ground's funding sources, have the right to audit its books and records. The eventual liability to governmental agencies, if any, upon final settlement of the open years has not been finalized. However, Rising Ground has recorded estimated provisions of \$6,338,672 for the eventual settlement of the open cost reporting periods and are included in accrued expenses and other liabilities on the accompanying consolidated statement of financial position.

Rising Ground has undergone audits and reviews from governmental agencies for which a combined liability of \$11,240,443 has been included in due to government agencies in the consolidated financial statements. Rising Ground has agreed to settlement plans with some of the agencies for \$7,824,314 with terms ranging from three to ten years.

Minimum payments for the next five years and thereafter are as follows:

Year ending June 30,

2026	\$	1,053,589
2027		936,214
2028		924,388
2029		894,577
2030		566,681
Thereafter		3,448,865
Total	\$	7,824,314

12. Net Assets

Net assets with donor restrictions, are available for the following purposes:

June 30, 2025

Net Assets Restricted in Perpetuity

Endowment investments held in perpetuity, the income of which is to support:

Maintenance and education of half orphan and dependent girls	\$	703,305
Education and support of the children who are no longer at Rising Ground		100,472
Any activity of Rising Ground		1,557,319

Total Net Assets Restricted in Perpetuity **\$** **2,361,096**

13. Endowment

General

Rising Ground's endowment consists of four individual donor-restricted endowment funds as follows:

- The Orphan's Fund contains the funds formerly held by the Orphans Home and Asylum. The income may be used from time to time as the Board of Directors may designate. Its "historic value" is \$1,557,319.

Rising Ground, Inc. and Affiliates

Notes to Consolidated Financial Statements

- The Sevilla Fund contains the funds formerly held by the Sevilla Home for Children. Its “historic value” is \$527,479. The income from this fund is for maintenance and education, including religious instruction of orphans, half-orphans, and dependent girls.
- The Hopewell Fund stems from the Hopewell Society of Brooklyn and its “historic value” is \$175,826. In brief, the income from this fund is for maintenance and education, including religious instruction of orphans, half-orphans, and dependent girls.
- The Andrew Peck Memorial Fund (Peck Fund) is an endowment created in 1927 with \$100,472. The income is to be spent furthering the education and support of the children who are no longer residing at Rising Ground.

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

In accordance with the requirements under GAAP, the following applies to the donor-restricted endowment funds:

Interpretation of Relevant Law - The spending of endowment funds by a not-for-profit corporation in the State of New York was governed by the Uniform Management of Institutional Funds Act (UMIFA), as enacted in 1978, until September 17, 2010, when the State of New York enacted the NYPMIFA. Rising Ground has interpreted NYPMIFA as requiring the preservation of the original value of a gift for gifts received prior to September 17, 2010, absent donor stipulations to the contrary, and for post September 17, 2010 gifts, as allowing Rising Ground to appropriate for expenditure or accumulate earnings as Rising Ground determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. As a result of this interpretation, Rising Ground has classified as net assets restricted in perpetuity (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in net assets restricted in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by Rising Ground.

Investment and Spending Policies - Rising Ground has adopted investment and spending policies for endowment assets that attempt to provide a stream of returns that would be utilized to fund various branches while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that Rising Ground must hold in perpetuity.

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Rising Ground, Inc. and Affiliates
Notes to Consolidated Financial Statements

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

- The duration and preservation of the funds.
- The purposes of Rising Ground and the donor-restricted endowment funds.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation/depreciation of investments.
- Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment funds, giving due consideration to the effect that such alternatives may have on Rising Ground.
- The investment policy of Rising Ground.
- Other resources of Rising Ground.

Changes in Endowment Net Assets

Year ended June 30, 2025

	With Donor Restrictions - Purpose Restricted	With Donor Restrictions - Restricted in Perpetuity	Total
Endowment Net Assets , beginning of year	\$ -	\$ 2,361,096	\$ 2,361,096
Interest and dividends	48,377	-	-
Appropriation of endowment assets for expenditure	(48,377)	-	-
Endowment Net Assets , end of year	\$ -	\$ 2,361,096	\$ 2,361,096

There were no endowments under water as of June 30, 2025.

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Rising Ground, Inc. and Affiliates
Notes to Consolidated Financial Statements

14. Liquidity and Availability

Rising Ground’s resources and financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

June 30, 2025

Cash and cash equivalents	\$	3,339,819
Investments		58,297,520
Accounts receivable, net of allowance for current expected credit losses		50,019,421
Other receivables		68,173
<hr/>		
Total Financial Assets Available to Management for General Expenditure Within One Year		111,724,933
Amounts unavailable to management for general expenditures within one year, due to:		
Net assets with donor restrictions		(2,361,096)
<hr/>		
Total Financial Assets Available to Management for General Expenditures Within One Year Without Restrictions	\$	109,363,837

As part of the Rising Ground’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Rising Ground’s endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. Rising Ground regularly monitors their cash balance to ensure sufficient liquidity exists to meet its operating needs, as well as other commitments and obligations over the next 12 months.

Rising Ground receives contributions restricted by donors and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

Rising Ground manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

15. Retirement Plans

RG, Inc. has a defined contribution 401(k) profit-sharing plan (Plan) covering substantially all employees. Rising Ground matches 100% of the first 4% of the employee’s base salary that an employee contributes. Pension expense relating to this matching contribution was \$2,820,735 for the year ended June 30, 2025 and is included in fringe benefits on the consolidated statement of functional expenses.

EGSCF has a 403(b)-thrift plan and a 401(a) profit-sharing plan covering substantially all of its employees meeting certain eligibility requirements. Contributions to the plans are discretionary. There was no expense for the year ended June 30, 2025. This plan was frozen as of December 31, 2018.

Rising Ground, Inc. and Affiliates
Notes to Consolidated Financial Statements

16. Subsequent Events

Rising Ground has evaluated subsequent events through November 26, 2025, which is the date the consolidated financial statements were available to be issued. There were no subsequent events requiring adjustments to the consolidated financial statements or disclosures as stated herein.

Supplementary Information

Rising Ground, Inc. and Affiliates
Consolidating Schedule of Financial Position

June 30, 2025

	Rising Ground and Affiliate	Edwin Gould	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 3,241,423	\$ 98,396	\$ -	\$ 3,339,819
Investments, at fair value, current portion	55,936,424	-	-	55,936,424
Accounts receivable, net of allowance for current expected credit losses	50,019,421	-	-	50,019,421
Other receivables	68,173	-	-	68,173
Prepaid expenses	1,415,934	-	-	1,415,934
Due from Edwin Gould	2,022,895	-	(2,022,895)	-
Total Current Assets	112,704,270	98,396	(2,022,895)	110,779,771
Assets Limited as to Use				
Assets limited as to use - investments	415,140	-	-	415,140
Self-insurance deposits	17,565,696	-	-	17,565,696
Cash reserve for liabilities	753,950	-	-	753,950
Total Assets Limited as to Use	18,734,786	-	-	18,734,786
Other Assets				
Investments, at fair value, net of current portion	2,361,096	-	-	2,361,096
Security deposits	1,258,000	-	-	1,258,000
Investment in equity investee	1,997,255	-	(1,997,255)	-
Loan receivable	4,510,000	-	-	4,510,000
Operating lease right-of-use assets	34,610,611	-	-	34,610,611
Fixed assets, net	6,855,116	-	-	6,855,116
Total Other Assets	51,592,078	-	(1,997,255)	49,594,823
Total Assets	\$ 183,031,134	\$ 98,396	\$ (4,020,150)	\$ 179,109,380

Rising Ground, Inc. and Affiliates
Consolidating Schedule of Financial Position

June 30, 2025

	Rising Ground and Affiliate	Edwin Gould	Eliminations	Total
Liabilities and Net Assets (Deficit)				
Current Liabilities				
Accounts payable	\$ 6,237,068	\$ -	\$ -	\$ 6,237,068
Accrued payroll and employee benefits	11,292,875	-	-	11,292,875
Accrued expenses and other liabilities	29,487,831	391,979	-	29,879,810
Due to government agencies, current portion	1,001,581	52,008	-	1,053,589
Accrued interest payable	9,831	-	-	9,831
Line of credit and notes payable, current portion	10,697,991	-	-	10,697,991
Finance leases liability	1,826	-	-	1,826
Operating leases liabilities, current portion	8,724,156	-	-	8,724,156
Bonds payable, current portion	195,000	-	-	195,000
Due to Rising Ground	-	2,022,895	(2,022,895)	-
Total Current Liabilities	67,648,159	2,466,882	(2,022,895)	68,092,146
Due to Government Agencies, net of current portion	7,994,818	2,192,036	-	10,186,854
Line of Credit and Notes Payable, net of current portion	402,648	-	-	402,648
Operating Leases Liabilities, net of current portion	28,113,039	-	-	28,113,039
Bonds Payable, net of current portion, unamortized discount and unamortized debt issuance costs	377,247	-	-	377,247
Total Liabilities	104,535,911	4,658,918	(2,022,895)	107,171,934
Commitments and Contingencies				
Net Assets				
Without donor restrictions	76,134,127	(4,560,522)	(1,997,255)	69,576,350
With donor restrictions	2,361,096	-	-	2,361,096
Total Net Assets (Deficit)	78,495,223	(4,560,522)	(1,997,255)	71,937,446
Total Liabilities and Net Assets (Deficit)	\$ 183,031,134	\$ 98,396	\$ (4,020,150)	\$ 179,109,380

Rising Ground, Inc., Fund for Rising Ground, and the Employee Benefits Program Revocable Trust

Consolidating Schedule of Financial Position

June 30, 2025

	Rising Ground, Inc.	Fund for Rising Ground	Employee Benefits Program Revocable Trust	Eliminations	Total
Assets					
Current Assets					
Cash and cash equivalents	\$ 1,751,747	\$ 1,489,676	\$ -	\$ -	\$ 3,241,423
Investments, at fair value, current portion	17,000	55,919,424	-	-	55,936,424
Accounts receivable, net of allowance for current expected credit losses	49,956,720	62,701	4,560,000	(4,560,000)	50,019,421
Other receivables	68,173	-	-	-	68,173
Prepaid expenses	1,415,934	-	-	-	1,415,934
Due from Edwin Gould	2,022,895	-	-	-	2,022,895
Due from Fund for Rising Ground	4,250	-	-	(4,250)	-
Total Current Assets	55,236,719	57,471,801	4,560,000	(4,564,250)	112,704,270
Assets Limited as to Use					
Assets limited as to use - investments	415,140	-	-	-	415,140
Self-insurance deposits	-	-	17,565,696	-	17,565,696
Cash reserve for liabilities	753,950	-	-	-	753,950
Total Assets Limited as to Use	1,169,090	-	17,565,696	-	18,734,786
Other Assets					
Investments, at fair value, net of current portion	2,361,096	-	-	-	2,361,096
Security deposits	1,258,000	-	-	-	1,258,000
Investment in equity investee	1,997,255	-	-	-	1,997,255
Loan receivable	4,510,000	-	-	-	4,510,000
Operating lease right-of-use assets	34,610,611	-	-	-	34,610,611
Fixed assets, net	6,855,116	-	-	-	6,855,116
Total Other Assets	51,592,078	-	-	-	51,592,078
Total Assets	\$ 107,997,887	\$ 57,471,801	\$ 22,125,696	\$ (4,564,250)	\$ 183,031,134

Rising Ground, Inc., Fund for Rising Ground, and the Employee Benefits Program Revocable Trust

Consolidating Schedule of Financial Position

June 30, 2025

	Rising Ground, Inc.	Fund for Rising Ground	Employee Benefits Program Revocable Trust	Eliminations	Total
Liabilities and Net Assets					
Current Liabilities					
Accounts payable	\$ 6,237,068	\$ -	\$ -	\$ -	\$ 6,237,068
Accrued payroll and employee benefits	11,292,875	-	-	-	11,292,875
Accrued expenses and other liabilities	13,722,623	-	20,325,208	(4,560,000)	29,487,831
Due to government agencies, current portion	1,001,581	-	-	-	1,001,581
Accrued interest payable	9,831	-	-	-	9,831
Line of credit and notes payable, current portion	10,697,991	-	-	-	10,697,991
Finance leases liability	1,826	-	-	-	1,826
Operating leases liabilities, current portion	8,724,156	-	-	-	8,724,156
Bonds payable, current portion	195,000	-	-	-	195,000
Due to Rising Ground	-	4,250	-	(4,250)	-
Total Current Liabilities	51,882,951	4,250	20,325,208	(4,564,250)	67,648,159
Line of Credit and Notes Payable, net of current portion	402,648	-	-	-	402,648
Operating Leases Liabilities, net of current portion	28,113,039	-	-	-	28,113,039
Due to Government Agencies, net of current portion	7,994,818	-	-	-	7,994,818
Bonds Payable, net of current portion, unamortized discount and unamortized debt issuance costs	377,247	-	-	-	377,247
Total Liabilities	88,770,703	4,250	20,325,208	(4,564,250)	104,535,911
Commitments and Contingencies					
Net Assets					
Without donor restrictions	16,866,088	57,467,551	1,800,488	-	76,134,127
With donor restrictions	2,361,096	-	-	-	2,361,096
Total Net Assets	19,227,184	57,467,551	1,800,488	-	78,495,223
Total Liabilities and Net Assets	\$ 107,997,887	\$ 57,471,801	\$ 22,125,696	\$ (4,564,250)	\$ 183,031,134

Edwin Gould Services for Children and Families

Schedule of Financial Position

June 30, 2025

Assets

Current Assets

Cash and cash equivalents	\$	98,396
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Total Current Assets		98,396
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Total Assets	\$	98,396
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Liabilities and Net Deficit

Current Liabilities

Accrued expenses and other liabilities	\$	391,979
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Due to government agencies, current portion		52,008
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Due to Rising Ground		2,022,895
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Total Current Liabilities		2,466,882
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Due to Government Agencies, net of current portion		2,192,036
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Total Liabilities		4,658,918
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Commitments and Contingencies

Net Deficit

Without donor restrictions		(4,560,522)
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Total Net Deficit		(4,560,522)
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Total Liabilities and Net Deficit	\$	98,396
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Rising Ground, Inc. and Affiliates

Consolidating Schedule of Activities

Year ended June 30, 2025

	Rising Ground and Affiliate		Edwin Gould	Eliminations	Total		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	
Operating Revenues							
Program revenue	\$ 212,572,819	\$ -	\$ -	\$ -	\$ 212,572,819	\$ -	\$ 212,572,819
Other income	96,921	-	49,679	-	146,600	-	146,600
Total Operating Revenues	212,669,740	-	49,679	-	212,719,419	-	212,719,419
Operating Expenses							
Program services expenses	189,748,707	-	-	-	189,748,707	-	189,748,707
Supporting services expenses:							
Management and general	27,384,176	-	140,791	-	27,524,967	-	27,524,967
Development	492,419	-	-	-	492,419	-	492,419
Total Supporting Services Expenses	27,876,595	-	140,791	-	28,017,386	-	28,017,386
Total Operating Expenses	217,625,302	-	140,791	-	217,766,093	-	217,766,093
Change in Net Assets (Deficit), before non-operating revenues (expenses)	(4,955,562)	-	(91,112)	-	(5,046,674)	-	(5,046,674)
Non-Operating Revenues (Expenses)							
Investment income, net	6,686,331	-	-	-	6,686,331	-	6,686,331
Contributions	1,759,177	-	-	-	1,759,177	-	1,759,177
Special events	767,208	-	-	-	767,208	-	767,208
Direct costs of special events to donors	(128,090)	-	-	-	(128,090)	-	(128,090)
Gain on sale of property	1,543,713	-	-	-	1,543,713	-	1,543,713
Contribution to Edwin Gould Services for Children and Families	(91,112)	-	-	91,112	-	-	-
Miscellaneous expenses	(52,000)	-	-	-	(52,000)	-	(52,000)
Total Non-Operating Revenues	10,485,227	-	-	91,112	10,576,339	-	10,576,339
Change in Net Assets	5,529,665	-	(91,112)	91,112	5,529,665	-	5,529,665
Net Assets (Deficit), beginning of year	70,604,462	2,361,096	(4,469,410)	(2,088,367)	64,046,685	2,361,096	66,407,781
Net Assets (Deficit), end of year	\$ 76,134,127	\$ 2,361,096	\$ (4,560,522)	\$ (1,997,255)	\$ 69,576,350	\$ 2,361,096	\$ 71,937,446

Rising Ground, Inc., Fund for Rising Ground, and the Employee Benefits Program Revocable Trust

Consolidating Schedule of Activities

Year ended June 30, 2025

	Rising Ground, Inc.		Fund for Rising Ground	Employee Benefits Program Revocable Trust	Eliminations	Total		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	
Operating Revenues								
Program revenue	\$ 212,572,819	\$ -	\$ -	\$ 16,699,000	\$ (16,699,000)	\$ 212,572,819	\$ -	\$ 212,572,819
Other income	96,921	-	-	-	-	96,921	-	96,921
Total Operating Revenues	212,669,740	-	-	16,699,000	(16,699,000)	212,669,740	-	212,669,740
Operating Expenses								
Program services expenses	189,748,707	-	-	-	-	189,748,707	-	189,748,707
Supporting services expenses:								
Management and general	27,379,176	-	1,438,503	16,699,000	(18,132,503)	27,384,176	-	27,384,176
Development	492,419	-	-	-	-	492,419	-	492,419
Total Supporting Services Expenses	27,871,595	-	1,438,503	16,699,000	(18,132,503)	27,876,595	-	27,876,595
Total Operating Expenses	217,620,302	-	1,438,503	16,699,000	(18,132,503)	217,625,302	-	217,625,302
Change in Net Assets, before non-operating revenues (expenses)	(4,950,562)	-	(1,438,503)	-	1,433,503	(4,955,562)	-	(4,955,562)
Non-Operating Revenues (Expenses)								
Investment income, net	184,111	-	6,502,220	-	-	6,686,331	-	6,686,331
Contributions	1,759,177	-	-	-	-	1,759,177	-	1,759,177
Special events	767,208	-	-	-	-	767,208	-	767,208
Direct costs of special events to donors	(128,090)	-	-	-	-	(128,090)	-	(128,090)
Gain on sale of property	1,543,713	-	-	-	-	1,543,713	-	1,543,713
Fund for Rising Ground grant	1,433,503	-	-	-	(1,433,503)	-	-	-
Contribution to Edwin Gould Services for Children and Families	(91,112)	-	-	-	-	(91,112)	-	(91,112)
Miscellaneous expenses	-	-	-	(52,000)	-	(52,000)	-	(52,000)
Total Non-Operating Revenues (Expenses)	5,468,510	-	6,502,220	(52,000)	(1,433,503)	10,485,227	-	10,485,227
Change in Net Assets	517,948	-	5,063,717	(52,000)	-	5,529,665	-	5,529,665
Transfer Equity	(2,585,011)	-	2,585,011	-	-	-	-	-
Net Assets, beginning of year	18,933,151	2,361,096	49,818,823	1,852,488	-	70,604,462	2,361,096	72,965,558
Net Assets, end of year	\$ 16,866,088	\$ 2,361,096	\$ 57,467,551	\$ 1,800,488	\$ -	\$ 76,134,127	\$ 2,361,096	\$ 78,495,223

Edwin Gould Services for Children and Families

Schedule of Activities

Year ended June 30, 2025

	Without Donor Restrictions	Total
Operating Revenues		
Other income	\$ 49,679	\$ 49,679
Total Operating Revenues	49,679	49,679
Operating Expenses		
Supporting services expenses:		
Management and general	140,791	140,791
Total Operating Expenses	140,791	140,791
Change in Net Assets	(91,112)	(91,112)
Net Deficit, beginning of year	(4,469,410)	(4,469,410)
Net Deficit, end of year	\$ (4,560,522)	\$ (4,560,522)

Rising Ground, Inc., Fund for Rising Ground, and the Employee Benefits Program Revocable Trust

Consolidated Schedule of Functional Expenses *

Year ended June 30, 2025

	Program Services							Supporting Services				Total
	Children and Family Services	Immigration	Developmental Disabilities	Children and Families	Health and Mental Health	Support to Survivors	Total Program Services	Management and General	Development	Direct Costs of Special Events	Total Supporting Services	
Employee Compensation and Benefits												
Salaries and wages	\$ 34,310,580	\$ 26,210,279	\$ 15,713,438	\$ 20,717,257	\$ 5,373,954	\$ 2,806,390	\$ 105,131,898	\$ 11,498,713	\$ 189,391	\$ -	\$ 11,688,104	\$ 116,820,002
Fringe benefits	8,860,328	6,885,060	4,064,527	5,373,056	1,384,813	742,896	27,310,680	2,884,808	42,337	-	2,927,145	30,237,825
Total Employee Compensation and Benefits	43,170,908	33,095,339	19,777,965	26,090,313	6,758,767	3,549,286	132,442,578	14,383,521	231,728	-	14,615,249	147,057,827
Specific Assistance to Individuals												
Payments to foster parents	-	1,239,174	-	7,191,164	-	-	8,430,338	-	-	-	-	8,430,338
Food	1,053,966	668,497	458,158	134,728	4,595	1,250	2,321,194	-	-	-	-	2,321,194
Children's allowances and activities	1,448,573	133,337	48,241	1,570,057	8,806	567,902	3,776,916	-	-	-	-	3,776,916
Consumer incidentals	2,002,865	-	14,799	-	-	-	2,017,664	-	-	-	-	2,017,664
Clothing	73,163	236,858	36,511	2,275	-	-	348,807	-	-	-	-	348,807
Total Specific Assistance to Individuals	4,578,567	2,277,866	557,709	8,898,224	13,401	569,152	16,894,919	-	-	-	-	16,894,919
Occupancy												
Interest expense	-	-	114,119	-	-	-	114,119	140,375	-	-	140,375	254,494
Rent	4,524,862	3,301,631	967,139	1,493,657	602,949	194,271	11,084,509	3,207,881	52,254	-	3,260,135	14,344,644
Utilities	1,005,686	631,759	364,125	107,031	53,548	7,383	2,169,532	244,736	437	-	245,173	2,414,705
Maintenance and repairs	1,251,976	768,509	1,191,164	318,781	52,027	66,209	3,648,666	477,418	981	-	478,399	4,127,065
Security	425,326	166,380	170,020	187,428	27,331	6,731	983,216	142,269	30	-	142,299	1,125,515
Janitorial services	188,328	176,250	80,708	164,920	66,033	13,200	689,439	237,773	790	-	238,563	928,002
Total Occupancy	7,396,178	5,044,529	2,887,275	2,271,817	801,888	287,794	18,689,481	4,450,452	54,492	-	4,504,944	23,194,425
Professional Fees												
Clinical services	2,600	-	350	788,209	169,026	-	960,185	-	-	-	-	960,185
Legal and audit	-	-	-	285,931	-	-	285,931	403,649	-	-	403,649	689,580
Other independent contractors	736,378	538,164	275,880	3,119,537	1,274,526	10,000	5,954,485	2,615,196	92,291	-	2,707,487	8,661,972
Total Professional Fees	738,978	538,164	276,230	4,193,677	1,443,552	10,000	7,200,601	3,018,845	92,291	-	3,111,136	10,311,737
Other												
Supplies	1,098,715	397,328	444,676	937,097	74,005	13,827	2,965,648	476,845	24,370	-	501,215	3,466,863
Transportation and other travel-related expenses	165,932	391,654	136,699	162,648	31,466	4,254	892,653	55,586	1,971	-	57,557	950,210
Insurance	945,771	982,940	728,373	340,912	66,659	39,486	3,104,141	1,177,487	777	-	1,178,264	4,282,405
Telephone	373,293	298,738	279,597	344,359	63,579	31,366	1,390,932	420,669	4,382	-	425,051	1,815,983
Vehicle rentals, repairs, and replacement	374,862	669,830	466,262	90,878	-	-	1,601,832	144,441	-	-	144,441	1,746,273
Equipment/furniture rentals, repairs, and replacement	208,440	282,227	148,347	297,221	41,491	47,048	1,024,774	728,315	9,330	-	737,645	1,762,419
Staff development	149,378	31,455	49,882	354,523	10,377	58,758	654,373	427,386	-	-	427,386	1,081,759
Staff recruitment	965	6,902	1,000	3,713	-	-	12,580	316,262	4,673	-	320,935	333,515
Printing, postage, subscriptions, and publications	-	8,060	2,154	4,132	27	342	14,715	238,027	42,636	-	280,663	295,378
Dues, licenses, and permits	-	161,877	2,501	11,187	86,425	-	261,990	75,376	-	-	75,376	337,366
Line of credit interest expense	-	-	-	-	-	-	-	544,519	-	-	544,519	544,519
Provision for credit losses	183,629	-	-	-	240,789	-	424,418	-	-	-	-	424,418
Miscellaneous	43,989	26,308	43,683	3,518	-	8,900	126,398	746,494	24,667	128,090	899,251	1,025,649
Total Other	3,544,974	3,257,319	2,303,174	2,550,188	614,818	203,981	12,474,454	5,351,407	112,806	128,090	5,592,303	18,066,757
Total Expenses, before depreciation and amortization	59,429,605	44,213,217	25,802,353	44,004,219	9,632,426	4,620,213	187,702,033	27,204,225	491,317	128,090	27,823,632	215,525,665
Depreciation and Amortization	112,510	898,719	612,894	398,234	8,172	16,145	2,046,674	179,951	1,102	-	181,053	2,227,727
Total Expenses	59,542,115	45,111,936	26,415,247	44,402,453	9,640,598	4,636,358	189,748,707	27,384,176	492,419	128,090	28,004,685	217,753,392
Less: expenses deducted directly from revenues												
Direct cost of special events to donors	-	-	-	-	-	-	-	-	-	(128,090)	(128,090)	(128,090)
Total Expenses Reported by Function	\$ 59,542,115	\$ 45,111,936	\$ 26,415,247	\$ 44,402,453	\$ 9,640,598	\$ 4,636,358	\$ 189,748,707	\$ 27,384,176	\$ 492,419	\$ -	\$ 27,876,595	\$ 217,625,302

* Edwin Gould Services for Children and Families does not have any program services expenses in fiscal year 2025 therefore it does not have a separately presented consolidated schedule of functional expenses.