



GEORGIA TECH FOUNDATION, INC.

Consolidated Financial Statements

June 30, 2026 and 2025

(With Independent Auditors' Report Thereon)

GEORGIA TECH FOUNDATION, INC.

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KPMG LLP
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Independent Auditors' Report

The Board of Trustees
Georgia Tech Foundation, Inc.:

Opinion

We have audited the consolidated financial statements of Georgia Tech Foundation, Inc. and its subsidiaries (the Foundation), which comprise the consolidated statements of financial position as of June 30, 2026 and 2025, and the related consolidated statements of activities and cash flows for the years 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 the Foundation as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, 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 the Foundation's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

KPMG LLP

Atlanta, Georgia
September 18, 2026

GEORGIA TECH FOUNDATION, INC.

Consolidated Statements of Financial Position

June 30, 2026 and June 30, 2025

(In thousands)

Assets	2026	2025
Cash and cash equivalents (note 11)	\$ 19,808	30,623
Capital reserve funds (notes 5 and 11)	21,199	18,557
Contributions receivable, net (note 3)	142,501	128,614
Investments (notes 4, 11 and 12)	3,910,922	3,092,484
Other assets (notes 5 and 8)	40,718	41,595
Leases receivable (note 5)	59,193	68,830
Contributions receivable from remainder trusts (note 11)	7,127	13,046
Beneficial interest in trust (note 11)	4,074	95,578
Charitable remainder trusts (note 11)	23,071	21,809
Capital assets, net (note 6)	147,062	144,626
Total assets	<u>\$ 4,375,675</u>	<u>3,655,762</u>
Liabilities and Net Assets		
Accounts payable (note 7)	\$ 15,841	15,627
Lines of credit (note 8)	8,190	9,090
Bonds payable, net (notes 5 and 8)	267,215	282,389
Note payable, net (note 9)	23,930	24,824
Amounts due to life beneficiaries	25,578	23,797
Deferred revenue (note 5)	4,068	5,513
Funds held on behalf of other organizations (notes 10 and 11)	181,315	175,967
Other liabilities (note 5)	33,265	26,934
Total liabilities	<u>559,402</u>	<u>564,141</u>
Net assets:		
Without donor restriction (notes 14 and 16)	601,111	464,059
With donor restriction (notes 15 and 16)	3,215,162	2,627,562
Total net assets	<u>3,816,273</u>	<u>3,091,621</u>
Commitments (notes 4, 5, 7, 8, 9, 10, 17, and 20)		
Total liabilities and net assets	<u>\$ 4,375,675</u>	<u>3,655,762</u>

See accompanying notes to consolidated financial statements.

GEORGIA TECH FOUNDATION, INC.

Consolidated Statements of Activities

Years ended June 30, 2026 and 2025

(In thousands)

	2026			2025		
	Without donor restriction	With donor restriction	Total	Without donor restriction	With donor restriction	Total
Revenues, gains and losses:						
Gift income	\$ 8,368	140,715	149,083	8,120	233,686	241,806
Lease revenue	10,949	5,827	16,776	14,614	2,079	16,693
Hotel operating revenue	23,249	—	23,249	20,884	—	20,884
Investment income, net of fees	5,351	9,529	14,880	3,991	2,587	6,578
Net realized/unrealized gain on investments	174,108	581,286	755,394	65,581	210,249	275,830
Change in value of trusts and annuities	—	1,870	1,870	—	3,397	3,397
Other	2,440	348	2,788	1,111	966	2,077
Provision for doubtful contributions	—	(2,697)	(2,697)	—	(5,532)	(5,532)
Net assets released from restrictions (note 13)	149,278	(149,278)	—	162,205	(162,205)	—
Total revenues	373,743	587,600	961,343	276,506	285,227	561,733
Expenses (note 18):						
Program services	191,632	—	191,632	178,901	—	178,901
General and administrative (note 18)	21,235	—	21,235	20,928	—	20,928
Hotel operating expenses	18,655	—	18,655	16,540	—	16,540
Fund-raising	5,169	—	5,169	4,964	—	4,964
Total expenses	236,691	—	236,691	221,333	—	221,333
Change in net assets	137,052	587,600	724,652	55,173	285,227	340,400
Net assets, beginning of year	464,059	2,627,562	3,091,621	408,886	2,342,335	2,751,221
Net assets, end of year	\$ 601,111	3,215,162	3,816,273	464,059	2,627,562	3,091,621

See accompanying notes to consolidated financial statements.

GEORGIA TECH FOUNDATION, INC.

Consolidated Statements of Cash Flows

Years ended June 30, 2026 and 2025

(In thousands)

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities:		
Change in net assets	\$ 724,652	340,400
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	4,375	3,852
Amortization of bond discount and premium and issuance costs, net	(952)	(1,099)
Provision for doubtful contributions	2,697	5,532
Net realized/unrealized gain on investments	(755,394)	(275,830)
Actuarial gain on trusts and annuities	(5,944)	(3,397)
In-kind contributions	(29,168)	(105,643)
Proceeds from gifts restricted for long-term investment	(56,775)	(63,784)
Proceeds from sale of donated securities not restricted for long-term investment	3,253	4,834
Increase in contributions receivable	(16,584)	(7,360)
Decrease (increase) in other assets	2,085	(4,126)
Increase in accounts payable	214	4,195
Increase in other liabilities	6,331	4,227
Net cash used in operating activities	<u>(121,210)</u>	<u>(98,199)</u>
Cash flows from investing activities:		
Proceeds from the sales and maturities of investments	1,246,546	970,558
Purchases of investments	(1,188,241)	(925,385)
Increase in funds held on behalf of other organizations	5,574	8,980
Proceeds from principal repayments of leases receivable	8,192	7,779
Purchase of capital assets	<u>(6,619)</u>	<u>(3,438)</u>
Net cash provided by investing activities	<u>65,452</u>	<u>58,494</u>
Cash flows from financing activities:		
Repayments of lines of credit	(900)	(1,100)
Principal repayments of bonds and notes payable	(15,116)	(14,892)
Receipt of cash from trusts	7,970	2,261
Payments to life income beneficiaries	(1,144)	(1,070)
Proceeds from gifts restricted for long-term investment	<u>56,775</u>	<u>63,784</u>
Net cash provided by financing activities	<u>47,585</u>	<u>48,983</u>
(Decrease) increase in cash and cash equivalents	(8,173)	9,278
Cash and cash equivalents and capital reserve funds, beginning of year	<u>49,180</u>	<u>39,902</u>
Cash and cash equivalents and capital reserve funds, end of year	\$ <u>41,007</u>	\$ <u>49,180</u>
Reconciliation of cash and cash equivalents and capital reserve funds:		
Cash and cash equivalents	\$ 19,808	30,623
Capital reserve funds	<u>21,199</u>	<u>18,557</u>
Total cash and cash equivalents and capital reserve funds	\$ <u>41,007</u>	\$ <u>49,180</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 11,612	12,540
Noncash activities:		
Contributions of charitable trusts, annuities	—	95,839
Contributions of securities	27,768	9,804
Receipt of securities from charitable trusts	95,578	—
Contributions of real estate	1,400	—

See accompanying notes to consolidated financial statements.

GEORGIA TECH FOUNDATION, INC.

Notes to Consolidated Financial Statements

June 30, 2026 and 2025

(Dollars in thousands)

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The Georgia Tech Foundation, Inc. (the Foundation) was incorporated in the state of Georgia in 1932 as a not-for-profit corporation. The purposes of the Foundation are to promote higher education in the state of Georgia, to receive and manage financial donations for the support and enhancement of the Georgia Institute of Technology (the Institute), and to assist the Institute in its role as a leading educational and research institution. Although the Foundation operates to support the Institute, the Foundation is an entity independent of the Institute and is not legally controlled, directly or indirectly, by the Institute. The Board of Trustees (the Board) of the Foundation makes all decisions regarding the business and affairs of the Foundation. The Institute is a component unit of the University System of Georgia and is governed by the Board of Regents of the University System of Georgia (BOR).

The following organizations are all wholly owned subsidiaries of the Foundation and are included in the accompanying consolidated financial statements, with all material intercompany accounts and transactions eliminated in consolidation: the Georgia Tech Foundation Real Estate Holding Corporation (GTFREHC); the Fifth Street Hotel, LLC; Technology Square, LLC; Cypress Academy, LLC; Georgia Tech Foundation Properties, LLC; Biltmore Technology Square, LLC; GTF 1052, LLC; 665 Marietta, LLC; GTF ATC, LLC; 600 Means Street, LLC; GTF Means Street, LLC; GTF Ventures, LLC. Transactions of the subsidiaries are included in notes 5, 6, 8, 9, 10, 11, and 18.

The following organizations, while independent from and not controlled by the Foundation, are affiliated with the Institute and are involved in one or more financial transactions with the Foundation and may have one or more common directors, trustees, or officers: Georgia Tech Facilities, Inc. (GT Facilities); the Georgia Tech Athletic Association (GT Athletic Association); the Georgia Tech Alumni Association (GT Alumni Association); Georgia Tech Global, Inc. (GT Global); Georgia Advanced Technology Ventures (GATV); and the Georgia Tech Research Corporation (GTRC). Transactions with these affiliates are described in notes 7, 10, 19, and 20.

(b) Basis of Presentation

The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting under the financial reporting framework of the Financial Accounting Standards Board (FASB). The Foundation is organized as a nongovernment not-for-profit corporation.

(c) Classification of Net Assets

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

Net assets without donor restrictions are not subject to donor-imposed restrictions. Net assets included in this class include revenues, gains, and losses that are not restricted by donors and Board-designated net assets, which are subject to self-imposed limits by action of the Board or by delegated designation decision to management. All expenses are reported as decreases in net assets without donor restrictions.

Net assets with donor restrictions are subject to donor-imposed restrictions that will be met either by actions of the Foundation or passage of time. Net assets included in this class include gifts for

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(Dollars in thousands)

donor-restricted purposes and donor-restricted endowment funds. Gifts that include conditions are not recorded by the Foundation until the underlying condition specified by the donor has been met. Generally, the donor-imposed restrictions on endowed assets permit the Foundation to use all or part of the income earned on related investments only for certain donor-stipulated purposes. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions in the consolidated statement of activities.

(d) Fair Value of Financial Instruments

Cash equivalents, capital reserve funds, and accounts payable are carried at amounts that approximate their fair value due to the short-term nature of these instruments. Lines of credit are carried at the amount owed, which approximates fair value. Contributions receivable are estimated by discounting expected future cash flows at risk-adjusted market interest rates, which approximate fair value at the time of the gift.

(e) Cash and Cash Equivalents

The Foundation considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. This excludes short-term cash investments that may be held by investment managers for future investments and capital reserve funds.

(f) Capital Reserve Funds

The Foundation classifies payments received for the purpose of capital replacement for the Campus Recreation Center (CRC), Technology Square, and the Georgia Tech Hotel and Conference Center as capital reserve funds. Funds are restricted for the purpose of capital replacement pursuant to the related lease agreements or management designation and are invested in short-term, highly liquid investments.

(g) Contributions Receivable, Net

The Foundation records commitments from donors to make future contributions, recognizing these promises to give as gift income in the period the commitments are made, discounted to their present value at a risk-adjusted market interest rate. An allowance for uncollectible contributions receivable is provided based upon management's judgment, considering such factors as prior collection history, type of contribution, relationship with donor, potential impacts of broad economic and public health factors, and other relevant factors.

(h) Investments

Investments consist predominantly of marketable securities, privately held limited partnerships, and real estate. Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, with realized and unrealized gains and losses included in the consolidated statement of activities.

Donated gifts of securities are recorded based on estimated fair value at the date the donation is received. Investment income, gains, and losses are presented in the consolidated statement of activities net of investment fees.

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Investments in private partnership interests are valued using the net asset value (NAV) provided by the general partner as of June 30 of each fiscal year. The change in net assets related to partnership interests is presented as realized and unrealized gain and loss based upon the estimated fair value of each partnership as determined by the general partner. General partners of partnerships that invest in privately held companies (such as leveraged buyout and venture capital funds) typically value their assets at cost as adjusted based on recent arm's-length transactions. Partnerships investing in public companies use quoted market prices and exchange rates for the underlying assets, if applicable. General partners of marketable alternative investments provide values based on quoted market prices and exchange rates for publicly held securities and valuation estimates of derivative instruments. General partners of oil and gas partnerships, real estate partnerships, and similar funds value their assets based on periodic appraisals conducted by third-party appraisers. The Foundation uses NAV per share or its equivalent as a practical expedient to estimate fair value, although NAV in many instances may not equal fair value. The NAV per share or its equivalent was applied to certain investments that do not have readily determinable fair values, including hedge funds, private equity, real estate, and natural resources. Valuation processes and methodologies utilized by the general partners and investment managers are reviewed by Foundation management.

Derivatives are used by the Foundation and external investment managers to manage market risks. A derivative is a financial instrument created from, or whose value is derived from, the value of one or more underlying assets, reference rates, indices, or asset values. These instruments may include forwards, futures, options, and currency and interest rate swaps and are recorded at their respective fair values.

The Foundation utilizes various external investment managers to identify specific investment funds and limited partnerships that meet asset allocation and investment management objectives. These managers and related funds are utilized to increase the yield and return on the investment portfolio given the available alternative investment opportunities and to diversify its asset holdings.

Certain of these investments expose the Foundation to market risk by trading or holding direct and indirect derivative securities and by leveraging the securities in the fund. The market risk is similar to holding actual securities equivalent to the notional value of the derivatives. The risk is mitigated by ensuring sufficient collateral is being held to offset adverse market moves.

(i) Indirect Derivatives

Indirect derivatives held by the Foundation (i.e., derivatives held by external investment managers) are primarily used to manage portfolio risk. The Foundation's managers use derivatives primarily to hedge underlying positions or to gain exposure to specific markets in an effort to be more efficient, inexpensive, liquid, and diversified.

By holding derivatives, the Foundation could be exposed to interest rate risk, credit risk, concentration of credit risk, and foreign currency risk. The Foundation considers the risk associated with these holdings to be prudent.

GEORGIA TECH FOUNDATION, INC.

Notes to Consolidated Financial Statements

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(Dollars in thousands)

(ii) Direct Derivatives

The Foundation directly invests in derivatives associated with market risk. The purpose of these investment derivatives is to gain additional exposure to U.S. and foreign fixed income and equity markets.

Futures and forward contracts obligate the buyer to purchase an asset (and the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future price.

(i) Charitable Remainder Trusts and Beneficial Interest in Trusts

The Foundation has been named the beneficiary of cash and property under charitable remainder trust, charitable lead trust, charitable gift annuity agreements, and irrevocable trusts. For trusts where the Foundation is the trustee, assets are recorded at their fair values when received and an annuity payment liability is recognized at the present value of future cash flows expected to be paid to the donor or other designee. This liability is estimated by the Foundation using actuarial assumptions and the Internal Revenue Service discount rate at the time of the donation. For charitable remainder trust agreements where the Foundation is not the trustee, a contribution receivable is recorded based on the present value of estimated future distributions expected to be received over the term of the agreement. A discount rate commensurate with the risk involved is estimated as of June 30 of each fiscal year. For irrevocable trusts where the Foundation is not the trustee, a beneficial interest in trusts is recorded at fair value when the gift is determined to be unconditional and measurable.

(j) Capital Assets

Capital assets are stated at cost at the date of acquisition less accumulated depreciation. The Foundation capitalizes interest cost as a component of construction in progress based on related qualifying assets. Depreciation is provided on a straight-line basis over the useful lives of the assets, which range from 3 to 50 years. Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset.

(k) Endowment

Interpretation of Relevant Law

Foundation management has interpreted the Georgia Uniform Prudent Management of Institutional Funds Act of 2008 (UPMIFA or the Act) as allowing, subject to a standard of prudence, institutions to spend from an endowment fund without regard to the book value of the corpus of the fund. This flexibility under UPMIFA allows an expenditure that lowers the value of the corpus of an endowment fund below its book value, which was previously not allowed. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the

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(Dollars in thousands)

endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The donor-restricted endowment fund is classified as net assets with donor restriction until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by the Act. In accordance with the Act, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

(l) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the determination of fair value of certain investments without readily determinable fair values, the allowance for contributions receivable, and the assumptions made in recording liabilities to life beneficiaries.

(m) Tax Status

The Foundation is exempt from federal income tax under Section 501(a) as a nonprofit organization described in Section 501(c)(3) of the U.S. Internal Revenue Code, except for taxes on income from activities unrelated to its exempt purpose. GTFREHC is exempt from federal income tax under Section 501(a) as an entity described in Section 501(c)(2) of the U.S. Internal Revenue Code. The single member LLCs are disregarded for tax purposes.

(n) Recently Adopted Accounting Standard

The Foundation evaluated newly effective accounting pronouncements and determined that none are applicable to the Foundation's consolidated financial statements or have a material impact on the Foundation's consolidated financial statements as of and for the years ended June 30, 2026 and 2025, respectively.

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(Dollars in thousands)

(2) Liquidity and Availability

Financial assets available to meet cash needs for general expenditures, without donor or other restrictions limiting their use, within one year of the financial reporting date, are comprised of the following:

	<u>2026</u>	<u>2025</u>
Cash	\$ 19,808	30,623
Capital reserve funds	21,199	18,557
Contributions receivable, net	142,501	128,614
Investments	3,910,922	3,092,484
Leases receivable	59,193	68,830
Contributions receivable from charitable remainder trusts	7,127	13,046
Charitable remainder trusts	<u>23,071</u>	<u>21,809</u>
Total financial assets, at year-end	4,183,821	3,373,963
Less financial assets not available for general expenditures, due to nature:		
Capital reserve funds	(21,199)	(18,557)
Leases receivable	(59,193)	(68,830)
Contributions receivable from charitable remainder trusts	(7,127)	(13,046)
Charitable remainder trusts	(23,071)	(21,809)
Less financial assets not available for general expenditures within one year:		
Contributions receivable, net	(48,921)	(44,185)
Less contractual or donor-imposed restrictions:		
Endowments funds	(2,848,027)	(2,271,542)
Contributions receivable, net restricted for endowment	(56,246)	(51,072)
Funds held on behalf of other organizations	(181,315)	(175,967)
Less board-designated quasi endowment funds	(221,205)	(160,792)
Less other board-designated funds	<u>(10,784)</u>	<u>(9,695)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>706,733</u>	<u>538,468</u>

Donor restricted endowments, which total \$2,848,027 and \$2,271,542 as of June 30, 2026 and 2025, respectively, are not available for general expenditures until appropriated by the Board. The funds held on behalf of other organizations are not available for general expenditures of the Foundation. The Board-designated quasi endowment funds total \$221,205 and \$160,792 at June 30, 2026 and 2025, respectively. Although the Foundation does not intend to spend from the Board-designated quasi endowment, other than amounts appropriated as part of the Board's annual budget approval and appropriations, these amounts could be made available, if necessary, for general use. In addition, the net assets of other Board-designated funds total \$10,784 and \$9,695 at June 30, 2026 and 2025, respectively, and have been designated as real estate reserves, but could be made available, if necessary, for general use.

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(Dollars in thousands)

(3) Contributions Receivable, Net

Contributions receivable, which represent promises to give from donors, are due as follows:

	2026	2025
Within one year	\$ 62,792	53,189
One to five years	80,465	72,630
More than five years	19,623	21,578
Gross contributions receivable	162,880	147,397
Less allowance for uncollectible contributions	(6,609)	(5,503)
Less present value component	(13,770)	(13,280)
Net contributions receivable	\$ 142,501	128,614

Contributions receivable for current-year gifts are initially measured at fair value in the year the receivable is recorded based on the present value of future cash flows discounted at a rate commensurate with risks involved, which is an application of the income approach, and net of an allowance for uncollectible contributions. The discount rates used to calculate the present value component as of June 30, 2026 and 2025 range from 2.24% to 8.52%. The Foundation's allowance for uncollectible contributions is estimated by using past collections of contributions receivable as an indication of future collections. Current-year gifts included in contributions receivable reflected at fair value at June 30, 2026 and 2025 were \$56,785 and \$42,494, respectively. The Foundation wrote off uncollectable contributions receivable in the amounts of \$2,697 and \$5,532 in 2026 and 2025, respectively.

The consolidated financial statements do not include conditional pledges, expectancies, and bequests. The Foundation recognizes conditional pledges, expectancies, and bequests as revenue when the conditions are met. These conditional amounts totaled \$634,829 and \$593,955 at June 30, 2026 and 2025, respectively. At June 30, 2026, the five largest outstanding donor pledge balances represented 41% of the Foundation's gross contributions receivable. At June 30, 2025, the four largest outstanding donor pledge balances represented 42% of the Foundation's gross contributions receivable. These pledges are current relative to the agreed-upon payment schedule as of June 30, 2026 and 2025 and each of the respective donors has a history of supporting the Foundation.

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(Dollars in thousands)

(4) Investments

Investments at June 30, 2026 and 2025 are summarized as follows:

	2026		2025	
	Percentage	Amount	Percentage	Amount
Cash and cash equivalents (a)	4.4 %	\$ 171,816	7.9 %	\$ 243,331
Domestic equities (b)	10.5	412,528	14.8	459,862
International equities (b)	12.7	498,547	11.0	341,279
Bonds and bond funds (c)	3.5	138,455	4.2	129,148
Derivatives (d)	—	(679)	0.1	2,493
Hedge funds (e):				
Long-short funds	—	72	0.1	2,412
Multi-strategy funds	25.3	990,469	24.2	748,378
Real estate and real estate funds (f)	5.1	197,886	5.9	182,009
Private equities (g):				
Buyout funds	7.9	309,383	8.7	269,207
Venture funds	21.2	827,599	13.0	404,242
Growth equity	4.0	155,335	4.8	147,377
Opportunistic credit	4.3	166,723	3.8	117,655
Natural resources (g)	1.1	42,788	1.5	45,091
	<u>100.0 %</u>	<u>\$ 3,910,922</u>	<u>100.0 %</u>	<u>\$ 3,092,484</u>

(a) This category includes assets that are cash or readily convertible to cash, such as money market funds.

(b) These categories include investments in funds that take long positions in publicly traded equity securities. Approximately 45% of the investments are in U.S. companies and 55% are in non-U.S. companies. The public nature of the securities makes this category very liquid.

(c) This category includes investments in funds that take primarily long positions in corporate bonds, senior loans, private loans, government bonds, and long and short positions in derivatives thereof.

(d) See footnotes 1(h) and 12 for the description of derivative financial instruments.

(e) This category includes investments in hedge funds that take long and short positions primarily in equity securities, credit securities, index derivatives, and event-driven situations. Managers vary in style, market cap focus, geographic focus, sectors of focus, and types of securities, with some having considerable flexibility in each of these areas. The funds also vary in net long/short positioning with most equity funds generally maintaining a low net long position and little or no leverage. Most credit funds generally maintain a moderate net long position and little or no leverage.

(f) This category includes investments in direct real estate investments and real estate equity funds. Direct investments in real estate include investments in land and buildings purchased in the midtown Atlanta,

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Georgia area. These direct investments are acquired with equity from the investment portfolio and financed with debt under certain parameters approved by the Board, and are carried at fair value based on third-party appraisals. The investments in real estate equity funds take ownership of properties ranging from office, retail, multifamily, land, and hotel. These are investments that cannot be redeemed since the investment is distributed as the underlying investments are liquidated, which generally takes 5–10 years. There are currently no plans to sell any of these investments prior to their liquidation so the real estate equity funds are carried at NAV as estimated by the manager.

- (g) These categories include private equity funds that provide growth equity or take full ownership of the companies in which they invest. Venture funds take ownership positions in startup or early stage companies largely in the technology or healthcare spaces. These are private investments, including natural resource investments, that cannot be redeemed since the investment is distributed as the underlying investments are liquidated, which generally takes 4-8 years. There are currently no plans to sell any of these investments prior to their liquidation so the assets are carried at NAV as estimated by the fund manager.

The Foundation has investments, as a limited partner, in 184 and 173 partnerships at June 30, 2026 and 2025, respectively. These partnerships invest in a wide variety of assets, including international equities, venture capital, buyout funds, distressed securities, real estate, fixed income, natural resources, and diversifying strategies. At June 30, 2026 and 2025, the Foundation's largest ownership interest in a single partnership was 22% of that partnership's assets. No individual partnership investment exceeds 4% of the Foundation's assets. The values of the Foundation's partnership investments, as furnished by the general partners, are reviewed by Foundation management, and management believes the values recorded at June 30, 2026 and 2025 are reasonable estimates of fair value.

The Foundation's investments are exposed to several risks, such as changes in interest rates, currency fluctuations, market fluctuations, credit risks, and risks associated with the geographic concentration of direct ownership of real estate investments. Changes in financial markets occur daily, and it is quite likely that changes in the carrying values of investments will occur. Such changes could materially affect the amounts reported in the Foundation's consolidated financial statements.

The limitations and restrictions on the Foundation's ability to redeem or sell hedge funds and private investments vary by investment. Notice periods are required for hedge funds. Private investments typically have specified terms at inception (generally 8–10 years) (note 10). Distributions from each private investment will be received as the underlying investments of the funds are liquidated by the general partner. As of June 30, 2026, management estimates the average remaining life of the private investments is approximately four years.

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As of June 30, 2026 and 2025, the Foundation's remaining outstanding commitments to private investments, which are projected to be paid over the succeeding six years, totaled \$359,017 and \$329,470, respectively, within the following investment strategies:

	<u>2026</u>	<u>2025</u>
Private equities:		
Venture funds	\$ 78,503	68,688
Growth equity	25,696	35,521
Buyout funds	108,822	136,249
Opportunistic credit	83,435	37,877
Real estate and real estate funds	49,915	41,805
Natural resources	<u>12,646</u>	<u>9,330</u>
	<u>\$ 359,017</u>	<u>329,470</u>

Investments in private equity, natural resources, and real estate funds are generally made through limited partnerships. Under the terms of these partnership agreements, the Foundation is obligated to remit additional funding periodically as capital or liquidity calls are exercised by the general partner. These partnerships have a limited existence and under such agreements may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, or other factors, the general partner may extend the terms or request an extension of terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. The Foundation cannot anticipate such changes because they are based on unforeseen events. As a result, the timing of future capital calls or distributions in any particular year are not certain.

The Foundation charges expenses of its internal investment operation to the investment accounts. During 2026 and 2025, these expenses totaled \$8,143 and \$5,216, respectively, and are reported as a reduction of investment income in the accompanying consolidated statements of activities.

(5) Leases

(a) Capital Leases

(i) Campus Recreation Center Lease

In support of the Institute, the Foundation borrowed funds and constructed and placed into service the CRC in 2004. It then leased the facility to the BOR under an annual lease that expires on February 28 of each year but is renewable on a year-by-year basis at the option of the BOR until 2031. Under the terms of the lease, payments are used to retire the related debt incurred by the Foundation and provide for a capital replacement reserve. The likelihood of the BOR's failure to exercise its renewal options through 2031 has been determined to be remote, and thus, a lease receivable has been recorded totaling \$13,292 and \$15,964 as of June 30, 2026 and 2025, respectively. The debt outstanding on the Series 2011A and the CRC portion of 2017B Bonds totaled \$13,650 and \$16,190 as of June 30, 2026 and 2025, respectively.

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In November 2011, the Foundation refunded the Series 2001A Bonds with the proceeds from the Series 2011A Bonds, which resulted in additional debt service requirements (note 8). The rental payments under the lease were increased in 2012 to provide additional rental amounts to reflect the additional debt service requirement. The amount of the lease receivable is equal to the net present value of total lease payments to be received, discounted at 3.51% annually, which is the Foundation's total interest cost of the CRC-related bonds. The Foundation recorded a corresponding deferred revenue liability, representing the revenue to be recognized in future periods from the lease as a result of the additional debt service requirement. The revenue is recognized at a constant periodic rate of return consistent with the amortization of interest cost over the term of the related debt. The deferred revenue balance related to the CRC lease was \$837 and \$1,193 as of June 30, 2026 and 2025, respectively.

The Foundation leases from the BOR the land on which the CRC is located under a 30-year lease, expiring 2031. Upon full payment of the debt incurred by the Foundation to construct the CRC, the ground lease terminates and the CRC will be gifted to the BOR by the Foundation.

(ii) *Technology Square Lease*

During 2004, in support of the Institute, the Foundation borrowed funds and constructed a development on campus on Foundation-owned land known as Technology Square. It then leased the facilities and land to the BOR pursuant to an annual lease, which expires on June 30 of each year but is renewable on a year-by-year basis at the option of the BOR until 2032. The likelihood of the BOR's failure to exercise its renewal options through 2032 has been determined to be remote, and thus, the Foundation has recorded a lease receivable in the amount of \$45,901 and \$52,866 as of June 30, 2026 and 2025, respectively. Upon retirement of the Technology Square debt, the ownership of the land and improvements to the property, with the exception of the Georgia Tech Hotel and Conference Center, which is not leased to the BOR, will be gifted to the BOR by the Foundation.

During 2015, the Institute and the Foundation amended the Technology Square lease to allow the Foundation to retain ownership of the retail space within the Georgia Tech Hotel and Conference Center rather than gift the retail space to the BOR upon retirement of the Technology Square debt. Instead, the fourth floor of the Economic Development Building will be included with the property gifted to the BOR upon retirement of the Technology Square debt. The lease terms, including lease payments, remained unchanged with the exception of the underlying assets that will be gifted to the BOR. No gain or loss was recognized.

The lease payments are used to retire the related debt incurred by the Foundation and to provide for major replacement and renewal of the buildings. The debt outstanding on the Series 2002B, Series 2012A, and the Technology Square portion of Series 2017B Bonds (collectively, the Technology Square Bonds), not including the debt associated with the Georgia Tech Hotel and Conference Center, totaled \$43,895 and \$49,960 as of June 30, 2026 and 2025, respectively.

In April 2012, the Foundation refunded the Series 2002A Bonds with the proceeds of the Series 2012A Bonds, which resulted in additional debt service requirements (note 8). The rental payments under the lease were increased in 2012 to provide additional rental amounts to reflect

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the additional debt service requirements on the Technology Square Bonds as well as provide for a capital replacement reserve. The amount of the lease receivable is equal to the net present value of total lease payments to be received, discounted at 3.35% annually, which was the Foundation's total interest cost in the Series 2012 Bonds. The Foundation recorded a corresponding deferred revenue liability, representing the revenue to be recognized in future periods from the lease as a result of the additional debt service requirement. The revenue is recognized at a constant periodic rate of return consistent with the amortization of interest cost over the term of the related debt. The deferred revenue related to the Technology Square lease was \$3,232 and \$4,320 as of June 30, 2026 and 2025, respectively.

(b) Operating Leases

(i) Biltmore

The Foundation recognizes contractual revenues from leases on a straight-line basis over the terms of the respective leases.

(ii) CODA

The Foundation leased approximately 2.2 acres of land adjacent to Technology Square to a third party in November 2016. Improvements on the land currently include a mixed-use development consisting of office space, retail space, parking and associated amenities. The lease is a 99-year operating lease, and the Foundation recognizes revenue from the lease on a straight-line basis over the term of the lease. The Foundation recorded lease income of \$3,343 for the years ended June 30, 2026 and 2025. The Foundation recorded a rent receivable of \$23,611 and \$21,564 as of June 30, 2026 and 2025, respectively, which is included in other assets in the accompanying consolidated statements of financial position.

(iii) Atlanta Technology Center

In September 2018, the Foundation acquired the ATC, which is a 19 acre office park near the Georgia Tech campus. The property has four office buildings leased to third parties. The Foundation recognizes contractual revenues from leases on a straight-line basis over the terms of the respective leases. The Foundation holds this property as an investment asset and records it at fair value.

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Future contractual lease revenue due from leases under noncancelable operating leases at June 30, 2026 is as follows:

		Biltmore	CODA	Atlanta Technology Center	Total
Fiscal year:					
2027	\$	3,657	1,322	4,295	9,274
2028		2,793	1,348	3,760	7,901
2029		1,986	1,375	1,828	5,189
2030		1,579	1,403	1,121	4,103
2031		1,050	1,431	867	3,348
Thereafter		164	315,289	727	316,180
	\$	<u>11,229</u>	<u>322,168</u>	<u>12,598</u>	<u>345,995</u>

(c) Capital Reserve Funds

At June 30, 2026 and 2025, the Foundation held funds restricted for the purpose of capital replacement for the CRC, Technology Square, and the Georgia Tech Hotel and Conference Center totaling \$21,199 and \$18,557, respectively. Capital reserve funds held on behalf of the Institute for capital replacement for Technology Square and the CRC are included in other liabilities in the accompanying consolidated statements of financial position.

The Foundation's capital reserve funds are as follows:

		June 30	
		2026	2025
Campus Recreation Center	\$	5,024	3,848
Technology Square		13,666	12,471
Georgia Tech Hotel and Conference Center		2,509	2,238
Total capital reserve funds	\$	<u>21,199</u>	<u>18,557</u>

(6) Capital Assets

The Foundation's land includes 665 Marietta, CODA, and the Biltmore properties while buildings consist of the Georgia Tech Hotel and Conference Center, including the retail space within the Georgia Tech Hotel and Conference Center building (collectively, the Hotel and Conference Center), and the Biltmore. The Hotel and Conference Center is located in Technology Square on the Institute's campus and was placed into service by the Foundation in 2004. The Biltmore is located adjacent to Technology Square and was placed into service by the Foundation in 2017.

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The Foundation's capital assets are as follows:

	June 30	
	2026	2025
Land	\$ 71,548	71,548
Buildings and building improvements	96,793	93,859
Furniture and equipment	18,460	19,885
Construction in process	3,836	750
Less accumulated depreciation	(43,575)	(41,416)
Total capital assets	\$ 147,062	144,626

Depreciation expense totaling \$4,183 and \$3,679 was recognized during 2026 and 2025, respectively. The furniture and equipment are depreciated over useful lives of 3 to 10 years. The buildings and building improvements are depreciated over useful lives of 40 to 50 years.

(7) Accounts Payable

The Foundation's accounts payable as of June 30, 2026 and 2025 consist of the following:

	June 30	
	2026	2025
Payable to:		
Institute	\$ 15,360	14,936
Other	481	691
	\$ 15,841	15,627

(8) Debt

(a) Line of Credit

The Foundation has one remaining line of credit in 2026, with a borrowing capacity totaling \$25,000. During 2025, the Foundation executed an extension of the maturity of one line of credit from July 2025 to July 2027. During 2025, one line of credit matured in August 2024 and was not extended. Interest is calculated using SOFR. There were outstanding balances of \$8,190 and \$9,090 as of June 30, 2026 and 2025, respectively. The average effective interest rate for the lines of credit was 4.3% and 5.4% at June 30, 2026 and 2025, respectively.

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(b) Bonds Payable

Bonds payable as of June 30, 2026 and 2025 consist of the following:

	Interest rates – fixed	Maturity (serially)	Original issue	Outstanding as of June 30	
				2026	2025
Campus Recreation Center Bonds:					
Series 2011A – tax exempt	2.830%–4.125%	2031	\$ 32,695	—	2,540
Technology Square Bonds:					
Series 2002B – taxable	6.660%	2032	73,190	21,485	24,305
Series 2016 Bonds – taxable	2.185%–3.843%	2049	30,180	25,770	28,860
Series 2017 Bonds – taxable	2.750%–4.234%	2048	33,510	30,830	31,325
Series 2017B Bonds – tax exempt	1.760%–2.570%	2032	74,880	51,300	56,545
Series 2019 Bonds – taxable	1.736%–3.134%	2050	51,730	36,460	36,460
Series 2021 Bonds – taxable	2.886%	2052	100,000	100,000	100,000
Total bonds payable – gross				265,845	280,035
Unamortized bond issuance costs				(1,753)	(1,925)
Unamortized premium				3,123	4,279
Total bonds payable – net			\$	267,215	282,389

Proceeds from the Foundation's bond issuances were used for various financing and refinancing purposes. The Series 2011A Bonds were issued to refinance debt related to the construction of the CRC, pay certain costs of issuance, and finance a portion of the termination of an interest rate swap related to the CRC financing. The remaining Series 2011A Bonds were retired during 2026. The Series 2002B Bonds were issued as part of the financing for the acquisition, construction, and development of Technology Square. The Series 2016 Bonds were issued to advance refund certain prior debt, fund capitalized interest, pay certain costs of issuance, and reimburse the Foundation for costs incurred for site improvements and acquisition of the CODA property. The Series 2017 Bonds were issued to refinance a loan used for the acquisition of the Biltmore property and pay certain costs of issuance. The Series 2017B Bonds were issued to refund certain outstanding CRC and Technology Square bonds and pay certain costs of issuance. The Series 2019 Bonds were issued to refinance prior debt, refinance a portion of the Foundation's lines of credit, pay the final installment of a note payable, and pay certain costs of issuance. The Series 2021 Bonds were issued for general corporate purposes.

The CRC and certain components of Technology Square are leased to the BOR (note 5). All bonds payable are general unsecured obligations of the Foundation. The CRC and Technology Square bonds are not secured by any interest in the related facilities, the underlying ground leases or rental agreements, or revenues received by the Foundation from the ownership or operation of those facilities.

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The following represents the mandatory principal redemptions on bonds until maturity:

	Series 2002B	Series 2016	Series 2017	Series 2017B	Series 2019	Series 2021	Total
Fiscal year:							
2027	\$ 3,015	3,195	540	7,980	—	—	14,730
2028	3,215	460	585	8,390	—	—	12,650
2029	3,440	505	650	8,820	—	—	13,415
2030	3,680	545	705	9,275	—	—	14,205
2031	3,935	590	780	9,750	—	—	15,055
Thereafter	4,200	20,475	27,570	7,085	36,460	100,000	195,790
	<u>\$ 21,485</u>	<u>25,770</u>	<u>30,830</u>	<u>51,300</u>	<u>36,460</u>	<u>100,000</u>	<u>265,845</u>

(9) Note Payable

Note payable at June 30, 2026 and 2025 consists of the following:

	Interest rates – fixed	Original issue	Outstanding as of June 30	
			2026	2025
Note payable:				
Atlanta Technology Center	3.000%	29,152	24,000	24,923
Unamortized debt issuance costs			(70)	(99)
Total note payable, net			<u>\$ 23,930</u>	<u>24,824</u>

The original loan proceeds were used to acquire the Atlanta Technology Center, and additional borrowings under the loan agreement were used for renovations and improvements to the property. The loan was refinanced in 2023 as a recourse loan secured by a first mortgage on the property and matures on August 31, 2028.

The principal payments due on the note payable as of June 30, 2026 are as follows:

	Atlanta Technology Center
Fiscal year:	
2027	\$ 954
2028	983
2029	<u>22,063</u>
	<u>\$ 24,000</u>

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(10) Funds Held on Behalf of Other Organizations

The Foundation manages certain investments on behalf of GT Athletic Association, GT Alumni Association, GTRC, and GATV. The carrying value of funds held on behalf of other organizations approximates the fair value of these underlying investments. These investments total \$181,315 and \$175,967 at June 30, 2026 and 2025, respectively, and are recorded in the accompanying consolidated statements of financial position as funds held on behalf of other organizations. The Foundation's agreement with GT Athletic Association stipulates that a six-month notification of intent to redeem is required. The Foundation's agreement with the GT Alumni Association stipulates that a three-month notification of intent to redeem is required. The funds will be distributed to GT Athletic Association and the GT Alumni Association at the values determined by the Foundation at the end of the next quarter after the six-month and three-month notification periods, respectively.

Activity of the funds held on behalf of the GT Athletic Association, GT Alumni Association, GTRC, and GATV for the year ended June 30, 2026 is as follows:

	GT Athletic Association	GT Alumni Association	GTRC	GATV	Total
Balance, beginning of year	\$ 172,340	1,893	1,734	—	175,967
Additions	23,334	—	1,266	250	24,850
Investment income, gains, net of fees attributable to balances	31,733	479	—	—	32,212
Withdrawals	(51,661)	(53)	—	—	(51,714)
Balance, end of year	<u>\$ 175,746</u>	<u>2,319</u>	<u>3,000</u>	<u>250</u>	<u>181,315</u>

Activity of the funds held on behalf of the GT Athletic Association, GT Alumni Association, and GTRC for the year ended June 30, 2025 is as follows:

	GT Athletic Association	GT Alumni Association	GTRC	GATV	Total
Balance, beginning of year	\$ 164,851	1,777	359	—	166,987
Additions	11,685	—	1,375	—	13,060
Investment income, gains, net of fees attributable to balances	14,372	178	—	—	14,550
Withdrawals	(18,568)	(62)	—	—	(18,630)
Balance, end of year	<u>\$ 172,340</u>	<u>1,893</u>	<u>1,734</u>	<u>—</u>	<u>175,967</u>

(11) Fair Value Measurements

The Foundation's estimates of fair value for financial assets and liabilities are based on the framework established in the FASB ASC Topic 820, Fair Value Measurement. The framework is based on the inputs used in valuation and gives the highest priority to quoted prices in active markets and requires that

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observable inputs be used in the valuations when available. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest level, Level 1, is given to unadjusted quoted prices in active markets and the lowest level, Level 3, to unobservable inputs that reflect the Foundation's significant market assumptions. The three levels of the fair value hierarchy are as follows:

Level 1 – Valuations based on unadjusted quoted market prices for identical assets or liabilities in active markets that the Foundation has the ability to access at fiscal year-end.

Level 2 – Valuations based on pricing inputs that are other than quoted prices in active markets, which are either directly or indirectly observable for substantially the full term of the asset or liability. Examples include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, credit risks, default rates, loss severities, etc.) or can be corroborated by observable market data.

Level 3 – Valuations are based on unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not observable in the market and require significant professional judgment in determining the fair value assigned to such assets and liabilities. Level 3 investments primarily comprise alternative investments that do not have a liquid market at the financial reporting date. Inputs used for Level 3 may include the original transaction price, recent transactions in the same or similar market, completed or pending third-party transactions in the underlying investment or comparable issuers, and subsequent rounds of financing. When observable prices are not available, these investments are valued using one or more valuation techniques described below:

Market Approach: This approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Income Approach: This approach determines a valuation by discounting cash flows.

Cost Approach: This approach is based on the principle of substitution and the concept that a market participant would not pay more than the amount that would currently be required to replace the asset.

Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported NAV.

The fair value hierarchy requires the use of observable market data when available. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurements. The classification of assets and liabilities in the fair value hierarchy is not necessarily an indication of risks or liquidity, but is a measure of the observability of the valuation inputs.

In accordance with ASC Subtopic 820-10, *Fair Value Measurement*, certain investments that are measured at fair value using NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the table below are intended to permit

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reconciliation of the fair value hierarchy to the amounts presented in the accompanying consolidated statements of financial position.

The following table presents for each level within the fair value hierarchy, the Foundation's recurring and nonrecurring fair value measurements for assets and liabilities as of June 30, 2026:

	Level 1	Level 2	Level 3	Investments measured at NAV	Total	Redemption or liquidation	Days notice
Assets:							
Cash and cash equivalents	\$ 19,808	—	—	—	19,808	Daily	1
Capital reserve funds	21,199	—	—	—	21,199	Daily	1
	41,007	—	—	—	41,007		
Investments:							
Cash and cash equivalents	171,816	—	—	—	171,816	Daily	1
Domestic equities	412,528	—	—	—	412,528	Daily	1–5
International equities	353,859	—	—	—	353,859	Daily	3–10
International equities- commingled funds	144,688	—	—	—	144,688	Monthly	3–10
Bond and bond funds	138,455	—	—	—	138,455	Daily	1–3
Derivatives	(679)	—	—	—	(679)	Daily	1–3
Hedge funds	—	—	—	990,541	990,541	See note (a)	See note (a)
Private equities	—	—	39,978	1,419,062	1,459,040	Illiquid	N/A
Real estate and real estate funds	2,912	—	77,700 ⁽¹⁾	117,274	197,886	Illiquid	N/A
Natural resources	—	—	—	42,788	42,788	Illiquid	N/A
Total investments	1,223,579	—	117,678	2,569,665	3,910,922		
Contributions receivable from							
remainder trusts	—	7,127	—	—	7,127	N/A	N/A
Beneficial interest in trust	—	4,074	—	—	4,074	N/A	N/A
Charitable remainder trusts	—	23,071	—	—	23,071	N/A	N/A
Total	\$ 1,264,586	34,272	117,678	2,569,665	3,986,201		

⁽¹⁾ Real estate and real estate fund balances consist of two directly owned properties, both at fair value determined based on a combination of the income approach and sales comparison approach. The first property was valued at \$440 per square foot of land area. The second property was valued with an implied capitalization rate of 7.5% and \$221 per square foot of the improved area.

Note (a) – Hedge Funds (June 30, 2026):

Certain investments in hedge funds may be redeemed upon a five-to-ninety-day notice to the fund manager and permit a monthly or quarterly exit from the fund. The fair values of these hedge funds totaled \$644,372. Certain other hedge funds have semiannual or annual exit dates, which occur more than 90 days after the Foundation's fiscal year-end. The aggregate fair value of these hedge funds, with a notice and a

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redemption period exceeding 90 days, which could be redeemed during 2026, totals \$306,760. Twelve hedge funds with an aggregate fair value of \$39,409 contain provisions that they may be redeemed after a one to three-year period upon notification to the fund manager.

The following table presents for each level within the fair value hierarchy, the Foundation's recurring and nonrecurring fair value measurements for assets and liabilities as of June 30, 2025:

	Level 1	Level 2	Level 3	Investments measured at NAV	Total	Redemption or liquidation	Days notice
Assets:							
Cash and cash equivalents	\$ 30,623	—	—	—	30,623	Daily	1
Capital reserve funds	18,557	—	—	—	18,557	Daily	1
	49,180	—	—	—	49,180		
Investments:							
Cash and cash equivalents	243,331	—	—	—	243,331	Daily	1
Domestic equities	459,862	—	—	—	459,862	Daily	1–5
International equities	233,444	—	—	—	233,444	Daily	3–10
International equities- commingled funds	107,835	—	—	—	107,835	Monthly	3–10
Bond and bond funds	129,148	—	—	—	129,148	Daily	1–3
Derivatives	2,493	—	—	—	2,493	Daily	1–3
Hedge funds	—	—	—	750,790	750,790	See note (a)	See note (a)
Private equities	—	—	20,000	918,482	938,482	Illiquid	N/A
Real estate and real estate funds	2,415	—	78,000 ⁽¹⁾	101,594	182,009	Illiquid	N/A
Natural resources	—	—	—	45,090	45,090	Illiquid	N/A
Total investments	1,178,528	—	98,000	1,815,956	3,092,484		
Contributions receivable from remainder trusts	—	13,046	—	—	13,046	N/A	N/A
Beneficial interest in trust	—	95,578	—	—	95,578	N/A	N/A
Charitable remainder trusts	—	21,809	—	—	21,809	N/A	N/A
Total	\$ 1,227,708	130,433	98,000	1,815,956	3,272,097		

⁽¹⁾ Real estate and real estate fund balances consist of two directly owned properties, both at fair value determined based on a combination of the income approach and sales comparison approach. The first property was valued at \$455 per square foot of land area. The second property was valued with an implied capitalization rate of 7.5% and \$213 per square foot of the improved area.

Note (a) – Hedge Funds (June 30, 2025):

Certain investments in hedge funds may be redeemed upon a five-to-ninety-day notice to the fund manager and permit a monthly or quarterly exit from the fund. The fair values of these hedge funds totaled \$355,200. Certain other hedge funds have semiannual or annual exit dates, which occur more than 90 days after the

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Foundation's fiscal year-end. The aggregate fair value of these hedge funds, with a notice and a redemption period exceeding 90 days, which could be redeemed during 2025, totals \$336,963. Thirteen hedge funds with an aggregate fair value of \$58,627 contain provisions that they may be redeemed after a one to three-year period upon notification to the fund manager.

During 2026 and 2025, the activity of assets classified as Level 3 in the fair value hierarchy was as follows:

	<u>Real estate</u>	<u>Private equities</u>
Balance as of June 30, 2024	\$ 77,700	—
Investment earnings, net of fees	3,030	—
Realized and unrealized (losses) gains, net	300	—
Additions during year	—	20,000
Withdrawals during year	<u>(3,030)</u>	<u>—</u>
Balance as of June 30, 2025	78,000	20,000
Investment earnings, net of fees	7,921	—
Realized and unrealized (losses) gains, net	(300)	3,978
Additions during year	—	16,000
Withdrawals during year	<u>(7,921)</u>	<u>—</u>
Balance as of June 30, 2026	\$ <u>77,700</u>	<u>39,978</u>

(12) Derivative Financial Instruments

The Foundation directly invests in derivatives associated with market risk, as defined in note 1(h). The purpose of these investment derivatives is to gain additional exposure to U.S. and foreign fixed income and equity markets.

Futures and forward contracts obligate the buyer to purchase an asset (and the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future price.

During 2026, the Foundation recognized net realized/unrealized gains on direct positions in Equity Index Futures derivatives of \$28,014. As of June 30, 2026, the Foundation held direct positions in derivatives as shown in the following table:

<u>Investment</u>	<u>Fair value at June 30, 2026</u>	<u>Notional exposure</u>
Equity Index Futures	\$ <u>(679)</u>	<u>206,616</u>
Total	\$ <u>(679)</u>	<u>206,616</u>

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During 2025, the Foundation recognized net realized/unrealized gains on direct positions in Equity Index Futures derivatives of \$9,612. As of June 30, 2025, the Foundation held direct positions in derivatives as shown in the following table:

Investment	Fair value at June 30, 2025	Notional exposure
Equity Index Futures	\$ 2,493	159,159
Total	\$ 2,493	159,159

(13) Net Assets Released from Restrictions

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

The Foundation reports gifts of land, buildings, and equipment as support without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the acquired long-lived assets are placed in service.

Net assets were released from restrictions related to accomplishing program activities for the years ended June 30, 2026 and 2025 as follows:

	2026	2025
General use	\$ 22,919	27,139
Student support	29,255	22,849
Faculty support	42,468	26,830
Program enrichment	35,444	27,986
Academic support	19,078	17,377
Facilities	33	39,999
Fundraising	81	25
Total net assets released from restrictions	\$ 149,278	162,205

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(14) Board-Designated Net Assets

The Board has designated certain net assets without donor restrictions to function as endowments. The net assets of the Board-designated quasi endowment funds total \$221,205 and \$160,792 at June 30, 2026 and 2025, respectively, of net assets for the following purposes:

	<u>2026</u>	<u>2025</u>
Board-designated quasi endowment funds:		
General use	\$ 149,699	123,682
Student support	58,029	26,043
Faculty support	9,576	7,863
Facilities	2,796	2,296
Academic	1,105	908
	<u>\$ 221,205</u>	<u>160,792</u>

(15) Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30, 2026 and 2025 are restricted for the following purposes or periods:

	<u>2026</u>	<u>2025</u>
Subject to expenditure for specified purpose:		
Faculty support	\$ 32,244	44,995
Student support	9,111	7,927
Academic support	11,519	7,876
Program enrichment	70,213	63,897
Facilities and construction	18,440	15,998
Fundraising	487	234
Contributions receivable restricted by donors	85,818	77,072
	<u>227,832</u>	<u>217,999</u>
Appropriated from endowments, subject to expenditure for specified purpose:		
Faculty support	31,590	31,880
Student support	14,176	10,421
Program enrichment	13,376	15,348
Academic support	15,358	14,996
Facilities and construction	834	700
	<u>75,334</u>	<u>73,345</u>
Subject to the passage of time:		
Contributions receivable from remainder trusts	7,156	13,066
Contributions receivable that are not restricted by donors but which are unavailable for expenditure until receipt	438	470
Charitable remainder trusts	129	68
	<u>7,723</u>	<u>13,604</u>

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	<u>2026</u>	<u>2025</u>
Endowments:		
Subject to endowment spending policy and appropriation:		
Faculty support	\$ 899,956	719,049
Student support	839,009	659,194
General use	449,294	367,103
Academic support	362,201	293,899
Program enrichment	255,807	204,429
Facilities and construction	21,188	10,221
Perpetual trusts	1,079	973
Charitable remainder trusts and gift annuities	<u>19,493</u>	<u>16,674</u>
	2,848,027	2,271,542
Contributions receivable restricted to endowment by donors	<u>56,246</u>	<u>51,072</u>
	\$ <u>3,215,162</u>	<u>2,627,562</u>

(16) Endowment Net Assets

Endowment net assets for the year ended June 30, 2026 are as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ —	2,848,027	2,848,027
Board-designated endowment funds	<u>221,205</u>	<u>—</u>	<u>221,205</u>
Total endowed net assets	\$ <u>221,205</u>	<u>2,848,027</u>	<u>3,069,232</u>

Endowment net assets for the year ended June 30, 2025 are as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ —	2,271,542	2,271,542
Board-designated endowment funds	<u>160,792</u>	<u>—</u>	<u>160,792</u>
Total endowed net assets	\$ <u>160,792</u>	<u>2,271,542</u>	<u>2,432,334</u>

The Foundation's endowment consists of approximately 4,000 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to

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function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Return Objectives and Risk Parameters

The primary long-term financial investment objectives are to preserve the real purchasing power of the endowment and to earn an average annual real total return of at least 5.0% per year, net of management fees, over the long term, defined as rolling five-year periods.

(b) Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation utilizes a diversified asset allocation strategy designed to achieve its long-term return objectives while minimizing risk. As part of this strategy, the Foundation invests a portion of its funds in assets that have desirable return and/or diversification characteristics but which may be less liquid than other investment assets. The Foundation management constantly monitors its liquidity position to ensure that it has the funds necessary to meet its obligations.

(c) Spending Policy

The Foundation has a policy of appropriating for expenditure, on an annual basis, up to 6.00% of the trailing 12-quarter average market value of its endowment funds. The Foundation appropriated 4.70% in 2026 and in 2025 of the 12-quarter trailing average market value of its endowment funds. The amount appropriated for expenditure included an administrative fee of 0.70% in 2026 and in 2025 for general overhead costs incurred in connection with the support and management of its endowment funds. In setting the annual appropriation percentage, the Foundation considers both historic and expected returns on its endowment assets, including the effect of inflation. In addition, the Foundation considers providing an appropriate flow of income to the Institute while preserving the future purchasing power of the endowment assets in perpetuity. The appropriation percentage is approved by the Board as part of the Foundation's annual budget process.

(d) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies in 2025 or 2026.

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Changes in endowment net assets for the year ended June 30, 2026 are as follows:

	Without donor restriction	With donor restriction	Total
Endowment net assets, July 1, 2025	\$ 160,792	2,271,542	2,432,334
Investment return:			
Investment income	1,135	15,173	16,308
Net realized/unrealized gain	44,385	580,112	624,497
Total investment return	45,520	595,285	640,805
Contributions	173	64,349	64,522
Other income	—	347	347
Change in value of trusts and annuities	—	839	839
Appropriation of endowment assets for expenditure	(6,065)	(84,335)	(90,400)
Additions to board-designated funds, net	20,785	—	20,785
Endowment net assets, June 30, 2026	\$ 221,205	2,848,027	3,069,232

Changes in endowment net assets for the year ended June 30, 2025 are as follows:

	Without donor restriction	With donor restriction	Total
Endowment net assets, July 1, 2024	\$ 142,629	1,974,991	2,117,620
Investment return:			
Investment income	41	1,033	1,074
Net realized/unrealized gain	15,234	209,727	224,961
Total investment return	15,275	210,760	226,035
Contributions	218	167,600	167,818
Other income	151	3,041	3,192
Change in value of trusts and annuities	—	1,051	1,051
Appropriation of endowment assets for expenditure	(5,939)	(85,901)	(91,840)
Additions to board-designated funds, net	8,458	—	8,458
Endowment net assets, June 30, 2025	\$ 160,792	2,271,542	2,432,334

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(17) Pension Plan

The Foundation has a mandatory defined-contribution plan for its employees in which the employees contribute 5% of their pretax earnings and the Foundation matches the employees' contributions on a 2-to-1 basis. The funds are invested with a third-party provider in investment options chosen by the employees. During 2026 and 2025, the Foundation recognized pension expense totaling \$973 and \$476, respectively. The plan has a three-year cliff vesting requirement for each employee to vest in the Foundation's contribution amount. The Foundation also has a supplemental plan in which employees may contribute an additional amount on a voluntary basis. The Foundation does not match these additional amounts.

(18) Expenses

There are certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses, such as property expense, interest on related debt, depreciation, and amortization, are allocated based upon the usage of facilities. Other natural expenses are allocated based on estimates of time and effort.

Expense allocation for the year ended June 30, 2026 is as follows:

Category	Program services						General and administrative/		Total
	Student support	Faculty support	Program enrichment	Academic support	Facilities and construction	Total	hotel	Fundraising	
Scholarships and fellowships	\$ 46,748	1,071	3,623	1,212	—	52,654	—	—	52,654
Salaries and benefits	2,080	13,839	18,413	5,221	—	39,553	3,332	2,982	45,867
Materials, supplies, and other services	1,275	20,955	18,545	10,044	32,503	83,322	20,949	934	105,205
Travel, events, and stewardship	340	4,076	3,368	2,128	7	9,919	690	1,253	11,862
Property expense	—	—	—	—	—	—	6,296	—	6,296
Depreciation and amortization	—	—	—	—	63	63	4,312	—	4,375
Interest	—	—	—	—	6,121	6,121	4,311	—	10,432
	<u>\$ 50,443</u>	<u>39,941</u>	<u>43,949</u>	<u>18,605</u>	<u>38,694</u>	<u>191,632</u>	<u>39,890</u>	<u>5,169</u>	<u>236,691</u>

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Expense allocation for the year ended June 30, 2025 is as follows:

Category	Program services					Total	General and administrative/		Total
	Student support	Faculty support	Program enrichment	Academic support	Facilities and construction		hotel	Fundraising	
Scholarships and fellowships	\$ 39,539	685	2,738	1,121	—	44,083	—	—	44,083
Salaries and benefits	2,204	12,933	14,425	5,663	20	35,245	2,888	2,888	41,021
Materials, supplies, and other services	5,563	10,522	14,892	12,293	40,028	83,298	21,394	941	105,633
Travel, events, and stewardship	242	4,021	3,110	2,372	3	9,748	730	1,135	11,613
Property expense	—	—	—	—	—	—	4,024	—	4,024
Depreciation and amortization	—	—	—	—	63	63	3,789	—	3,852
Interest	—	—	—	—	6,464	6,464	4,643	—	11,107
	<u>\$ 47,548</u>	<u>28,161</u>	<u>35,165</u>	<u>21,449</u>	<u>46,578</u>	<u>178,901</u>	<u>37,468</u>	<u>4,964</u>	<u>221,333</u>

The Foundation classifies certain expenses as general and administrative. These expenses relate primarily to the operations of the Foundation, the Georgia Tech Hotel and Conference Center, the Biltmore, and other real estate owned by the Foundation. Details of general and administrative expenses for the years ended June 30, 2026 and 2025 are as follows:

	<u>2026</u>	<u>2025</u>
Foundation operations	\$ 8,070	7,464
Real estate expenses	23,197	21,572
Depreciation and amortization expense	4,312	3,789
Interest expense	<u>4,311</u>	<u>4,643</u>
	<u>\$ 39,890</u>	<u>37,468</u>

General and administrative expenses related to the Georgia Tech Hotel and Conference Center for the years ended June 30, 2026 and 2025 are \$18,655 and \$16,540, respectively.

(19) Related Parties

Three members of the Board of Trustees of the GT Athletic Association are also voting trustees of the Foundation.

Two members of the Board of Directors of the GT Facilities are also voting trustees of the Foundation.

The Foundation provides funding to the GT Alumni Association in support of alumni engagement programs on behalf of the Institute.

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(20) Commitments and Contingencies

In June 2025, the Foundation approved \$38,221 of funds without donor restrictions to support the Institute's program and development operations, with a condition that the funds are to be expended during 2026 and 2027. If the funds are not expended by June 30, 2027, the remainder is retained by the Foundation. As of June 30, 2026, the Foundation expended a total of \$34,141 to support the Institute's program and development operations and \$4,080 remained as a commitment.

In June 2006, the Foundation entered into a limited guaranty agreement with a bank in the amount of \$4,800 to support a letter of credit pertaining to an obligation GATV has under a rental agreement. The letter of credit was scheduled to expire in June 2026, but was amended to expire in June 2027. As consideration for the limited guaranty agreement, GATV pays the Foundation 0.20% of the limited guaranty amount annually.

(21) Tax Matters

The Foundation does not have any material unrecognized tax positions that should be recognized in the consolidated financial statements for 2026 or 2025.

(22) Subsequent Events

In connection with the preparation of the consolidated financial statements, the Foundation management reviewed subsequent events after June 30, 2026 through September 18, 2026, which was the date the consolidated financial statements were available to be issued, and determined that there were no significant subsequent events requiring disclosure in the consolidated financial statements.