American Cancer Society, Inc.

Consolidated Financial Statements
As of and for the Year Ended March 31, 2026

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.

American Cancer Society, Inc.

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As of and for the Year Ended March 31, 2026

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Tel: 919-754-9370
Fax: 919-754-9369
www.bdo.com

421 Fayetteville St
Suite 300
Raleigh, NC 27601

Independent Auditor's Report

Management and The Board of Directors
American Cancer Society, Inc.

Opinion

We have audited the consolidated financial statements of American Cancer Society, Inc. (ACS), which comprise the consolidated balance sheet as of March 31, 2026, 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 ACS as of March 31, 2026, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 ACS's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the 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 ACS'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 ACS'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.

BDO USA, P.C.

September 25, 2026

Consolidated Financial Statements

American Cancer Society, Inc.

Consolidated Balance Sheet

(in thousands)

March 31,		2026
Assets		
Current assets:		
Cash and cash equivalents	$	45,507
Pledges receivable, net		62,550
Other receivables, net		6,447
Investments		178,535
Prepaid expenses		22,378
Bequests receivable		94,742
Other assets		3,802
Total current assets		413,961
Noncurrent assets:		
Pledges receivable, net		55,547
Other receivables, net		21,732
Investments		545,745
Gift annuity investments		41,369
Beneficial interests in trusts		424,698
Other assets		9,280
Operating lease right-of-use assets, net		26,371
Fixed assets, net		259,084
Retirement plan assets		22,292
Total noncurrent assets		1,406,118
Total Assets	$	1,820,079
Liabilities		
Current liabilities:		
Accounts payable	$	24,763
Accrued expenses		49,921
Debt		2,011
Research and other program grants payable		113,551
Operating leases		7,955
Employee retirement benefits		2,303
Total current liabilities		200,504
Noncurrent liabilities:		
Debt		17,073
Research and other program grants payable, net		129,109
Operating leases		20,868
Other liabilities		1,589
Gift annuity obligations		10,198
Employee retirement benefits		30,884
Total noncurrent liabilities		209,721
Total liabilities		410,225
Net assets		
Without donor restrictions		497,669
With donor restrictions		912,185
Total net assets		1,409,854
Total Liabilities and Net Assets	$	1,820,079

See notes to accompanying consolidated financial statements.

American Cancer Society, Inc.

Consolidated Statement of Activities

(in thousands)

Year Ended March 31, 2026	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Public support:			
Special events	$ 120,975	$ 86,033	$ 207,008
Contributions of cash and other financial assets	163,389	146,171	309,560
Bequests	157,085	38,545	195,630
Contributed services, merchandise and other contributions of nonfinancial assets	40,546	53,053	93,599
Other	12,112	1,257	13,369
Total public support	494,107	325,059	819,166
Other revenue:			
Investment income, net	52,765	23,579	76,344
Change in value of split-interest agreements	356	42,342	42,698
Grants and contracts from government agencies	-	6,210	6,210
Other losses, net	(33,543)	(37)	(33,580)
Total other revenue	19,578	72,094	91,672
Net assets released from restrictions	316,425	(316,425)	-
Total revenues, gains and other support, net	830,110	80,728	910,838
Expenses:			
Mission program services:			
Patient support	426,454	-	426,454
Research	193,291	-	193,291
Advocacy	55,066	-	55,066
Total mission program services	674,811	-	674,811
Mission support services:			
Management and general	37,228	-	37,228
Fundraising	118,168	-	118,168
Total mission support services	155,396	-	155,396
Total expenses	830,207	-	830,207
Change in net assets prior to impact of retirement plan liability	(97)	80,728	80,631
Net change in retirement plan liability	22,608	-	22,608
Change in net assets	22,511	80,728	103,239
Net assets, beginning of period	475,158	831,457	1,306,615
Net assets, end of period	$ 497,669	$ 912,185	$ 1,409,854

See notes to accompanying consolidated financial statements.

American Cancer Society, Inc.

Consolidated Statement of Functional Expenses

(in thousands)

Year Ended March 31, 2026	Patient Support	Research	Advocacy	Total Mission Program	Management and General	Fundraising	Total Mission Support	Total Before Exchange Expenses	Exchange Expenses (see note 6)	Total
Mission Program and Mission Support Expenses										
Personnel costs	$ 212,686	$ 35,086	$ 34,013	$ 281,785	$ 13,935	$ 75,137	$ 89,072	$ 370,857	$ 12,496	$ 383,353
Professional fees and contractual services	10,936	11,811	9,411	32,158	12,036	6,108	18,144	50,302	3,525	53,827
Grants and assistance for mission program services	23,997	128,547	1,164	153,708	-	-	-	153,708	-	153,708
Education and marketing	85,998	845	2,168	89,011	1,757	16,220	17,977	106,988	10,274	117,262
Meetings and travel	8,427	1,712	3,043	13,182	592	3,687	4,279	17,461	24,598	42,059
Postage and shipping	8,799	429	95	9,323	1,486	4,225	5,711	15,034	11	15,045
Hope Lodge and community facilities	29,856	2,224	1,351	33,431	701	2,836	3,537	36,968	8,700	45,668
Technology	24,334	9,491	2,569	36,394	1,795	7,466	9,261	45,655	104	45,759
Depreciation and amortization	14,635	1,186	342	16,163	172	677	849	17,012	634	17,646
Miscellaneous	6,786	1,960	910	9,656	4,754	1,812	6,566	16,222	4,014	20,236
Cost of donated merchandise sold	-	-	-	-	-	-	-	-	37,090	37,090
Total mission program, mission support, and exchange expenses	$ 426,454	$ 193,291	$ 55,066	$ 674,811	$ 37,228	$ 118,168	$ 155,396	$ 830,207	$ 101,446	$ 931,653

See notes to accompanying consolidated financial statements.

American Cancer Society, Inc.

Consolidated Statement of Cash Flows

(in thousands)

Year Ended March 31,	2026
Cash flows from operating activities:	
Change in net assets	$ 103,239
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	17,646
Net unrealized and realized gains on investments	(45,698)
Change in value of split-interest agreements	(42,698)
Support from the public restricted for fixed asset acquisition	(11,576)
Support from the public restricted for long-term investment	(6,123)
Loss on disposal of fixed assets	530
Net change in retirement plan liability	(22,608)
Write down of asset	16,694
(Increase) decrease in:	
Receivables, net	(42,443)
Prepaid expenses and other assets	(9,678)
Bequests receivable	7,123
Beneficial interests in trusts and gift annuities, net	10,470
Research and other program grants payable	7,164
Accounts payable and other accrued expenses	23,821
Other liabilities	(2,424)
Net cash provided by operating activities	3,439
Cash flows from investing activities:	
Purchase of fixed assets	(28,363)
Proceeds from disposal of fixed assets	373
Support from the public restricted for fixed asset acquisition	11,576
Purchases of investments	(1,550,794)
Proceeds from maturities or sales of investments	1,569,099
Net cash received from investing activities	1,891
Cash flows from financing activities:	
Payments made to annuitants	(1,547)
Proceeds from annuitants	816
Support from the public restricted for long-term investment	1,695
Payments on debt	(2,011)
Net cash paid for financing activities	(1,047)
Net change in cash and cash equivalents	4,283
Cash and cash equivalents, beginning of year	41,224
Cash and cash equivalents, end of year	$ 45,507

See notes to accompanying consolidated financial statements.

1. Organizational Overview

Mission

The American Cancer Society (ACS or the Organization) is a leading cancer-fighting organization with a vision of ending cancer as we know it, for everyone. ACS' mission is to improve the lives of people with cancer and their families through advocacy, research, and patient support, to ensure everyone has an opportunity to prevent, detect, treat, and survive cancer.

Here are just a few ways ACS is making progress in the fight against cancer:

- **Patient support -** The American Cancer Society provides the latest, evidence-based cancer information; equips people to make healthy choices that can help reduce their cancer risk, like eating right, staying active, and avoiding alcohol and tobacco; and develops guidelines for screening that can help detect certain cancers early and save lives.

  From 24/7 support to free lodging and rides to treatment, the American Cancer Society helps everyone access the care they need. They help cancer patients, caregivers, and survivors find answers and resources, whether they want to understand their diagnosis and treatment options, learn how to cope with side effects, or find free transportation or a place to stay when treatment is far from home.

- **Research** – The American Cancer Society launches innovative, high-impact research to find more – and better – treatments, uncover factors that may cause cancer, and improve quality of life for people facing cancer. They fund research grants and conduct cancer research studies to help accelerate the pace of progress and conduct research to identify and understand issues related to cancer disparities in an effort to advance health equity among all communities.

- **Advocacy** –The American Cancer Society's nonprofit, nonpartisan advocacy affiliate, the American Cancer Society Cancer Action Network℠ (ACS CAN), fights cancer at all levels of government to demand change from elected officials to build healthier communities, create safer workplaces, and provide greater, more equitable access to quality medical care. Through their advocacy efforts, they are making cancer a national priority.

For information or support, visit cancer.org or call the American Cancer Society's 24/7 helpline at 1-800-227-2345.

2. Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the American Cancer Society, Inc. and six other subsidiaries, which are all separately incorporated and designated as exempt from taxation by Internal Revenue Code (IRC) Section 501(a). All significant intercompany accounts and transactions have been eliminated.

Change in Fiscal Year End

ACS changed its fiscal year-end from December 31 to March 31, effective with the three-month period ended March 31, 2025, to better align with ACS' operational cycle. Accordingly, the consolidated financial statements for the year ended March 31, 2026 reflect a full twelve-month period and are not comparable to the prior three-month period; therefore, comparative financial statements have not been presented.

Accounting for Contributions without Conditions

Contributions that are restricted by donors for a specific purpose are recorded as increases in net assets with donor restrictions. When the specific purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Contributions restricted by donors for a stipulated period are recorded as increases in net assets without donor restrictions if the stipulated period restriction ends in the reporting period in which the revenue is recognized. When the stipulated period ends in a subsequent reporting period, the contributions are first recorded as increases in net assets with donor restrictions and are subsequently reclassified in the reporting period when the stipulated period ends.

Contributed merchandise and contributions of other nonfinancial assets are reported as contributions at their estimated fair values when received or when an unconditional promise to give has been made. Gifts of long-lived assets received without stipulations about how long the donated asset must be used are reported as revenue without donor restrictions. Gifts of cash or other assets with a purpose restriction to acquire long-lived assets are reported as an increase to donor restricted net assets and released from restriction when the asset is acquired and placed in service unless the gift also is accompanied by an explicit donor time restriction, in which the asset is released over the life of the time restriction.

Functional Expense Allocation Policy

Expenses are classified according to two primary functional categories: mission program services and mission support services. Mission program services include patient support, research, and advocacy, while mission support services consist of management and general activities, such as finance, internal audit, technology, and infrastructure costs, and fundraising.

Expenses are allocated to functional categories based on the nature of the expense, direct identification when possible, and reasonable estimates of the relative effort or usage when direct allocation is not feasible. Personnel costs, including salaries, benefits, and related expenses, are allocated based on their roles, activities, and effort reporting. Occupancy and facility costs for community offices, including rent, utilities, and related overhead, are allocated using staff effort and space utilization. Other shared operating costs are allocated based on management's assessment of the underlying activities that drive each expense. For activities such as events and media campaigns, a content-based approach is applied to determine the proportion of mission messaging versus fundraising appeals.

Management reviews allocation methodologies annually to confirm that they remain reasonable, consistently applied, and aligned with operational activities. Mission expenses were allocated as follows:

Year Ended March 31,		2026	
Mission program expenses	$	674,811	81%
Mission support expenses		155,396	19%
Total expenses	$	830,207	100%

Advertising Costs

Advertising costs are expensed as incurred and were $60,670 for the year ended March 31, 2026.

Cash and Cash Equivalents

All highly liquid investments with an original maturity of one year or less, when purchased, are considered to be cash equivalents - with the exception of cash held for reinvestment - which is included in investments and gift annuity investments, as appropriate.

Receivable Reserve Allowance

Receivables are recorded from contributions, bequests, program grants, and other amounts due from donors and counterparties. Receivables are reported net of an allowance for doubtful accounts. Management evaluates the collectability of receivables based on several factors, including donor payment history, the aging of outstanding balances, the nature of the underlying pledge or bequest, and current economic conditions.

Past collection trends and known credit risks associated with individual donors are reviewed and considered when developing the contribution and other donor receivable reserve allowance. The allowance is adjusted periodically to reflect expected credit losses. Receivables deemed uncollectible are written off against the reserve when all reasonable collection efforts have been exhausted.

Bequests receivable are recorded when ACS has been notified of its interest in an estate and the amount can be reasonably estimated. Because bequest collections may be subject to probate timing and legal processes, the need for a reserve is evaluated by considering the financial condition of the estate, historical realization rates, and any uncertainties related to estate administration.

Based on management’s evaluation using the criteria above, receivables were determined to be appropriately stated and the allowance for doubtful accounts was adequate to absorb estimated losses as of March 31, 2026.

Investments

To ensure consistency with mission objectives, ACS does not invest in securities of any tobacco companies and is a proud supporter and signatory of the United Nations Environment Programme Finance Initiative's Tobacco-Free Finance Pledge, which highlights the leadership of financial institutions that have implemented tobacco-free finance policies.

A pool of investments is maintained for the primary purpose of providing liquidity for daily operating needs while protecting principal and preserving the real (inflation-adjusted) purchasing power of the portfolio. The overall short-term investment balance is targeted based on the projected daily and monthly net cash flows and is generally intended to ensure all operating needs are met throughout the year without tapping into long-term investments.

An investment pool is maintained with a long-term investment horizon to preserve the real (inflation- adjusted) purchasing power while providing a relatively predictable, constant and stable stream of earnings. The pool utilizes a diversified approach to asset allocation comprised of target ranges for the various asset classes.

Gift Annuity Investments

Sufficient assets are maintained to meet the annuity requirements stipulated by the various state laws. There is a requirement to hold reserves related to the gift annuity program based on the laws in certain states in which gifts are solicited. Such reserves, held in a segregated account, totaled $31,171 at March 31, 2026, and are included in gift annuity investments in the consolidated balance sheet.

Planned Gifts (Bequests and Beneficial Interest in Trusts)

ACS is the beneficiary of planned gifts under bequests, other testamentary documents, trusts and similar deferred contributions. The assets from a bequest or a contribution may be given directly or may be put in the care of a trustee, with ACS being designated as having a full or partial beneficial interest in the trust (BIT). Certain gifts are considered split-interest agreements whereby benefits are shared, or split, with either the donor or third-party beneficiaries. Depending on the number and mortality of any third-party beneficiaries, cash may not be received for the interest in the BITs for a number of years. During the year ended March 31, 2026, approximately 40% of revenue from bequests was cash and 60% will be received in future years.

The management of the assets within the various trusts, including the purchase and sale decisions, is performed by the respective trustee, and ACS has no ability to control or influence these decisions. Distributions from these trusts are based on the terms of the underlying trust agreement that generally require that the investment income be distributed on at least an annual basis.

Nonperpetual BITs are initially recognized as donor restricted public support (bequest or contribution revenue, depending upon the initial source of the gift) at fair value, based on the interest in the fair value of the underlying trust assets at the time of the gift. Any subsequent adjustments to the nonperpetual BITs are recorded as a change in value of split-interest agreements.

Perpetual trusts are initially recorded as net assets with donor restrictions (bequest or contribution revenue, depending on the initial source of the gift) at fair value, based on the interest in the fair value of the underlying trust assets at the time of the gift. Subsequent changes to a trust's fair

value are reported as a change in value of split-interest agreements with donor restrictions in the consolidated statement of activities. Income received from the trusts is reported as revenues with donor restrictions or revenues without donor restrictions, depending on the existence or absence of donor-imposed restrictions.

ACS also may be the beneficiary of interests in trusts and other assets in situations in which they have not been notified of the interest. The interest may be conditional or revocable, or the value of the interest may not be readily ascertainable. In such circumstances, no revenue has been recorded.

A bequest is unconditional when the probate court declares the testamentary instrument valid and the proceeds are measurable.

Assets Held for Sale

Assets are classified as "held for sale" when they meet all of the following criteria: management has committed to a plan to sell the asset, the asset is available for immediate sale in its present condition, an active program to locate a buyer has been initiated, the sale is probable within one year, and the asset is being marketed at a price that is reasonable in relation to its current fair value. The fair value of assets classified as held for sale was $3,802 as of March 31, 2026 and is included in other current assets in the consolidated balance sheet.

Fixed Assets

Fixed assets are recorded at cost for purchased items and fair value for contributed items.

If donors contribute long-lived assets with stipulations as to how long the assets must be used or with any other restrictions, the contributions are recognized as net assets with donor restrictions.

Depreciation expense is recognized on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings	20 to 40 years
Leasehold improvements	Lesser of term of the lease or estimated life of the improvement up to 36 years
Furniture, fixtures, equipment, computer software, and other capitalized assets	3 to 10 years
Equipment under finance leases	Lesser of the term of the lease or estimated life of the equipment up to 7 years

Leases

Lease arrangements are determined at inception. Operating leases are included in operating lease right-of-use (ROU) assets and current and noncurrent operating lease liabilities within the consolidated balance sheet.

ROU assets represent the right to use an underlying asset for the lease term and the corresponding lease liabilities represent the obligation to make lease payments arising from the lease. Lease ROU assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The lease ROU asset is reduced for tenant incentives and excludes any initial direct costs incurred. ROU assets or lease liabilities for leases with a term of 12 months or less are not recognized for any asset classes.

Lease payments are recognized in the consolidated statement of activities on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease. These options are reflected in the ROU asset and lease liability when it is reasonably certain the option will be exercised. Lease terms are reassessed if and when a significant event or change in circumstances occurs within ACS' control, such as construction of significant leasehold improvements that are expected to have economic value when the option becomes exercisable.

As leases do not provide an implicit rate, the net present value of future minimum lease payments is determined using ACS' incremental borrowing rate. The incremental borrowing rate is the borrowing rate on ACS' fully amortizing term loans at the time of each lease's commencement date. On the lease commencement date, assets and liabilities are established at the present value of estimated future costs to retire long-lived assets at the termination or expiration of a lease. Such assets are amortized over the lease term and are included in the Hope Lodge and community facilities expenses in the statement of functional expenses.

Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires the use of estimates and assumptions that affect the expected amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

The following are assumptions used to estimate certain reported amounts, which are not required to be measured at fair value on a recurring basis, as of March 31, 2026. The assumptions used to estimate amounts, which are required to be measured at fair value on a recurring basis, are included in Note 8.

The range of discount rates applied to certain receivable and payable balances were as follows at:

March 31,	**2026**
Pledges receivable	**1.83% to 7.74%**
Research and other program grants payable	**1.04% to 4.27%**

Pledges receivable consist of unconditional donor promises to give and are recognized in the period received with an allowance or discounted amount provided for estimated uncollectible amounts. The total amount of the discount for pledges as of March 31, 2026 is $10,246. The research and other program grants payable discount at March 31, 2026 is $8,304.

Concentration of Credit Risk

Financial instruments that are potentially subject to concentrations of credit risk include cash and cash equivalents, investments, and pledge receivables. Cash is deposited in accounts at financial institutions insured by the Federal Deposit Insurance Corporation. At times, cash balances may exceed federally insured limits. This risk is mitigated by depositing cash with major financial institutions. There is no significant credit risk identified on cash and cash equivalents. The investment portfolio is managed in accordance with a formal investment policy that emphasizes prudent diversification to limit exposure to credit risk.

Pledge receivables are primarily from a broad base of donors, and credit risk is further reduced through monitoring and maintaining an allowance for doubtful accounts based on historical collection experience and other relevant factors. Large individual receivables are disclosed separately in the accompanying notes. There have been no material credit-related losses in recent years and based on management's oversight and the diversified nature of the financial assets, management believes credit risk is appropriately managed and does not represent a material financial exposure to the Organization.

Income Taxes

ACS is exempt from federal income tax on related income under Section 501(a) of the United States Internal Revenue Code (IRC) as an organization described in Section 501(c)(3). Further, ACS has been classified as an organization that is not a private foundation under IRC Section 509(a) and, as such, contributions to ACS qualify for deduction as charitable contributions. However, income generated from activities unrelated to the exempt purpose of ACS is subject to tax under IRC Section 511. There were no material unrelated business income tax liabilities as of March 31, 2026. ACS believes that they have taken no significant uncertain tax positions.

Recent Accounting Pronouncement

In July 2025, the FASB issued Accounting Standards Update (ASU) 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* (ASU 2025-05). The amendments in ASU 2025-05 address challenges encountered when applying the guidance in Accounting Standards Codification (ASC) Topic 326, *Financial Instruments—Credit Losses* to current accounts receivable and current contract assets arising from transactions accounted for under ASC Topic 606, Revenue from Contracts with Customers (Topic 606). The amendments in ASU 2025-05 provide (1) all entities with a practical expedient and (2) entities other than public business entities with an accounting policy election when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606.

The practical expedient permits all entities to assume that current conditions as of the statement of financial position date do not change for the remaining life of the asset. The accounting policy election permits the entity to consider collection activity after the balance sheet date when estimating expected credit losses.

The amendments are effective, on a prospective basis, for annual reporting periods beginning after December 15, 2025. Management is currently evaluating the impact of ASU 2025-05 on the financial statements.

3. Liquidity Considerations

Financial assets are structured to be available as general expenditures, liabilities, and other obligations come due. Cash in excess of weekly requirements is generally invested in short-term investments. Remaining operating assets are invested in a fully diversified mix of investment vehicles designed to provide continued liquidity, preserve capital, and grow corpus.

Given the comprehensive nature of the mission objectives and reliance on donor restricted contributions to fund ongoing, annual programs, "available to management for general expenditures" is defined as all net assets without donor restrictions excluding amounts for deferred compensation, custodial assets, and illiquid investments. It also includes net assets with donor restrictions and the portion of endowments expected to be spent within one year of the balance sheet date.

The Board of Directors has implemented a liquidity policy that requires maintenance of financial assets equal to between five months and nine months of the annual general expenditures which is calculated based on several factors, including anticipated cash outlays for operating activities. Compliance with the policy is reviewed quarterly by the Board of Directors.

Financial assets available for general expenditures within one year of the balance sheet date are as follows as of:

***March 31*,**		**2026**
Financial assets without donor restrictions		
Cash and cash equivalents	**$**	**45,507**
Investments		**404,592**
Current receivables, net		**4,664**
Current bequests receivable		**81,594**
Total financial assets without donor restrictions		**536,357**
Less deferred compensation, custodial, and other illiquid investments, including impact venture investments (see Note 8)		**(112,703)**
Total financial assets available to management for general expenditures		**423,654**
Add financial assets with donor restrictions expected to be spent within 12 months of March 31		**48,360**
Total financial assets managed for liquidity	**$**	**472,014**

4. Contributed Services, Merchandise and Other Contributions of Nonfinancial Assets

Contributed nonfinancial assets are recognized as public support, and include media communication and production services, resale merchandise for the Discovery Shops, land leases for the Hope Lodges, scientific peer review services for the extramural research grant process, cars donated and sold within the Cars for a Cure program, and real estate. These nonfinancial assets are reported as contributions at their estimated fair value on the date of receipt and as expensed when utilized. They are valued based on estimates of fair market or resale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor.

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria prescribed by generally accepted accounting principles.

Total contributed nonfinancial assets during the year ended March 31, 2026 are as follows:

Nonfinancial Contributions Description	Valuation	Restriction	Without Restrictions	With Donor Restrictions
Media production services and public service announcements	Third-party estimates using comparable billing rates	Cancer prevention and screening	$ -	$ 41,939
Resale merchandise for Discovery Shops	Estimated selling price	None	32,608	-
Peer review services for extramural research grants	Standard industry pricing for similar services	Cancer research	-	3,092
Land leases for Hope Lodge facilities	Licensed real estate appraisal	Hope Lodge facilities	-	3,634
Cars for a Cure vehicle donations	Estimated selling price	None	3,814	-
Patient Lodging	Standard market rate	Patient support	-	2,700
Other goods and services	Varies by item	Other cancer programs	4,124	1,688
Total contributed services, merchandise and other contributions of nonfinancial assets			$ 40,546	$ 53,053

In addition, there are non-cash contributed items and services included in the special events line of the consolidated statement of activities. These are valued at $781 for the year ended March 31, 2026.

5. Activities With Joint Costs

Expenses are incurred to conduct activities that have both fundraising appeals, as well as mission program and management and general components (joint activities). Joint activities included direct mail, telecommunications, and other constituent relationship activities. The costs of conducting those joint activities are allocated using a variety of methods including evaluation of the content and impact of messaging within communication materials, paid media, mailings, and digital products such as emails, websites, and social media. These costs were allocated as follows:

Year Ended March 31,		**2026**
Patient support	**$**	**76,314**
Management and general		**3,578**
Fundraising		**29,267**
Total activities with joint costs	**$**	**109,159**

6. Exchange Transactions

Exchange transactions are reciprocal transfers in which each party receives and sacrifices something of approximate commensurate value, as opposed to a nonreciprocal transaction (i.e., a contribution), in which a donor provides resources to support ACS' mission and expects to receive nothing of commensurate value in return. Costs of exchange transactions that benefit the recipient but do not directly support the mission are reported as exchange expenses. Costs related to exchange transactions that directly benefit or support the mission are reported as mission program or mission support services expenses.

Revenues from exchange transactions are recognized when performance obligations are satisfied by transferring promised goods to, or performing services for, the recipient of the exchange. The amount of revenue recognized reflects the consideration expected to be received in exchange for satisfying distinct performance obligations. Performance obligations are either satisfied over time and the related revenue is recognized as services are rendered or satisfied at a point in time and the related revenue is recognized upon the immediate transfer of goods. The period of time between the transfer of goods and services to the recipient and when the recipient expects to pay for those goods and services is expected to be one year or less.

Exchange transaction income and expenses are netted and included in other losses, net in the consolidated statement of activities and are included in their natural classifications on the consolidated statement of functional expenses. Exchange transaction income and expenses are as follows:

Year Ended March 31,	Exchange Income 2026	Exchange Expenses 2026
Special events	$ 41,125	$ 41,125
Discovery Shop	32,608	55,840
Sales to third parties	6,922	4,481
Other	3,474	-
Total	$ 84,129	$ 101,446

As shown in the table above, special events are conducted in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at its actual cost. The direct costs of the special events that ultimately benefit the donor, rather than ACS, are recorded as exchange transaction income and exchange transaction expense. All proceeds received in excess of the direct costs are recorded as special events revenue in the consolidated statement of activities.

The Discovery Shops sell donated merchandise at various shops around the country. Sales of donated merchandise are recorded as exchange income, while the full costs of such merchandise and operating the Discovery Shops are presented within exchange expenses in the table above. In addition, for the year ended March 31, 2026, contribution revenue of $32,608 from donated merchandise is included in contributed services, merchandise and other contributions of nonfinancial assets in the consolidated statement of activities and is therefore not included in the exchange income presented in the table above.

7. Pledges Receivable

Pledges receivable are presented net within current and noncurrent assets on the consolidated balance sheet and are as follows as of:

March 31,		**2026**
Amounts due in		
Less than one year	**$**	**62,820**
One to five years		**60,591**
Greater than five years		**5,202**
Gross pledges receivable		**128,613**
Allowance for doubtful accounts		**(270)**
Unamortized present value discount		**(10,246)**
Total pledges receivable, net	**$**	**118,097**

Current net pledges receivable are presented on the balance sheet as receivables due in less than one year net of the allowance.

Outstanding pledges receivable includes a gift from one donor that is approximately 19% of the total net pledges receivable balance at March 31, 2026.

8. Fair value measurement

The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted readily available quoted prices for identical assets or liabilities in accessible active markets.

Level 2 Inputs to the valuation methodology include:

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; or
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 a substantial portion of the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Cash and cash equivalents, investments, gift annuity investments, bequests receivable and beneficial interest in trust accounts are reflected in the consolidated financial statements at fair

value. The carrying amounts of gift annuity investments and the related obligations are recorded at the fair value of the underlying assets.

The asset and/or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers between levels was evaluated based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the year ended March 31, 2026, there were no significant transfers in or out of Levels 1, 2, or 3.

The following is a description of the valuation methods used for assets and liabilities measured at fair value. There have been no changes in the valuation methods.

Global equity, including securities listed on domestic and international exchanges, are principally valued at the regular trading session closing price on the exchange or market in which such securities are principally traded on the last business day of each period presented, using the market approach.

Impact venture capital investments are managed by BrightEdge, the innovation and impact investment arm, through the impact venture fund and are generally valued using the market approach, based upon the relative interests of each participating investor (including each participant), market prices and assumptions.

Investments in real estate are valued using the market approach, based upon the relative interests of each participating investor (including each participant), in the fair value of the underlying net assets of each limited partnership.

Investments in liquid alternatives are generally valued using the market approach, based upon the relative interest of each participating investor (including each participant), in the fair value of the underlying net assets of each of the respective liquid alternatives.

Multi-asset credit investments are valued based upon evaluated prices provided by independent pricing services when such processes are believed to reflect the fair market value of such securities using the income approach, as well as regular trading session closing price on the exchange or market, using the market approach.

Core fixed income investment valuations, including corporate bonds, commercial paper, and government agency obligations are based upon evaluated prices provided by independent pricing services when such processes are believed to reflect the fair market value of such securities using the market approach, as well as the use of the income approach in the absence of a discoverable market.

Treasury Inflation-Protected securities (TIPs) or inflation-indexed securities are based upon evaluated prices provided by independent pricing services and adjusted by the consumer price index when such processes are believed to reflect the fair market value of such securities using the market approach, as well as the use of the income approach in the absence of a discoverable market.

Cash and cash equivalents are principally valued at the regular trading session closing price on the exchange or market in which such funds are principally traded, on the last business day of each period presented, using the market approach.

Nonperpetual trusts, included on the consolidated balance sheet as beneficial interest in trusts, are recorded at their estimated fair value based on the present value of the estimated future cash receipts from the trust. Future cash receipts are based on an income approach (present value techniques) using internally developed models. Assumptions are made regarding the expected rate of return on the investments in the trust, the discount rate, and the expected mortality of the individual(s) if the termination of the agreement is dependent on life expectancy. An expected rate of return on the investments in the trusts is estimated using historical investment returns for various relevant market indices for the estimated asset allocation of the nonperpetual trusts. For the year ended March 31, 2026, based on then-current financial market conditions, the present value of nonperpetual trusts was estimated using an investment return rate (net of trustee fees and other expenses) of 8.20%, and a discount rate of 8.20%, commensurate with the risks involved.

The expected mortality is estimated using the 2012 Individual Annuity Reserving Mortality Tables for one single or two life beneficiary charitable gifts. Each of these calculations is based on the fair value of the underlying assets of the trust. As trust statements are not received as of year-end for some trusts, the fair value of the underlying assets is adjusted based on changes in the relevant market indices from the date of the trustee statement to year-end that correlate to the estimated asset allocation of the underlying assets. As the fair value of these trusts is derived from internal estimates of the present value of the interest in the underlying assets, incorporating market data when available, the amounts ultimately received could differ from the amounts reflected in the historical financial statements.

Perpetual trusts, included on the consolidated balance sheet as beneficial interests in trusts, are recorded at fair value based on the interest in the fair value of the underlying trust assets. As trust statements are not received as of year-end for some trusts, the most recent fair value of the underlying assets is adjusted based on changes in the relevant market indices from the date of the trustee statement to year-end that correlates to the estimated asset allocation of the underlying assets.

The gift annuity obligation is recorded at fair value based on Level 3 inputs and other relevant market data based on the present value of the estimated future cash outflows. For the year ended March 31, 2026, the assumptions used in the valuation of the annuity liability include mortality in accordance with the 2012 Individual Annuity Reserving Mortality Tables and a discount rate of 6.19% for all annuities, compounded annually, net of expenses. These rates are commensurate with the risks associated with the ultimate payment of the obligation. Fair value accounting is used for gift annuity obligations.

The preceding valuation methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, valuation methods are believed to be appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting dates.

The following tables set forth by level, within the fair value hierarchy, assets and liabilities measured at fair value on a recurring basis as of March 31, 2026. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Financial assets and liabilities measured at fair value were as follows as of:

	Financial Assets and Liabilities Measured at Fair Value				
March 31, 2026	**Level 1**	**Level 2**	**Level 3**	**NAV***	**Total**
Assets					
Investments, current					
Cash and cash equivalents	$ 3,599	$ 21,943	$ -	$ -	$ 25,542
Core fixed income	-	152,993	-	-	152,993
Total investments, current	$ 3,599	$ 174,936	$ -	$ -	$ 178,535
Gift annuity investments					
Cash and cash equivalents	$ 2,642	$ -	$ -	$ -	$ 2,642
Global equity	24,383	-	89	-	24,472
Core fixed income	8,719	5,536	-	-	14,255
Total gift annuity investments	$ 35,744	$ 5,536	$ 89	$ -	$ 41,369
Investments					
Global equity	$ 150,468	$ -	$ 98	$ 42,881	$ 193,447
Impact venture capital	-	-	49,635	1,583	51,218
Real estate	-	-	-	37,091	37,091
Liquid alternatives	-	-	-	91,082	91,082
Multi-asset credit	-	-	-	76,302	76,302
Core fixed income	258	85,462	899	-	86,619
Treasury inflation-protected security - index fund	-	-	-	9,986	9,986
Total investments, noncurrent	$ 150,726	$ 85,462	$ 50,632	$ 258,925	$ 545,745
Beneficial interests in trusts	$ -	$ -	$ 424,698	$ -	$ 424,698
Liabilities					
Gift annuity obligations	$ -	$ -	$ 10,198	$ -	$ 10,198

* In accordance with ASC Topic 820, *Fair Value Measurement*, certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

The table below provides a summary of changes in the fair value of Level 3 financial assets and liabilities measured on a recurring basis for the year ended March 31, 2026:

Year Ended March 31, 2026	Global Equity and Core Fixed Income	Impact Venture Capital	Beneficial Interest in Trusts	Gift Annuity Obligation
Balance, beginning of year	$ 929	$ 46,156	$ 390,236	$ 10,208
Purchases (sales)	127	(4,407)	-	-
Net unrealized and realized gains	30	7,655	-	-
Change in value of split-interest agreements	-	-	42,117	(585)
Contributions and income, net of collections	-	-	(7,655)	-
Other	-	231	-	575
Balance, end of year	**$ 1,086**	**$ 49,635**	**$ 424,698**	**$ 10,198**

The unrealized gains (losses) related to the beneficial interest in trusts are included in the change in value of split-interest agreements in the consolidated statement of activities. The unrealized gains related to the global equity and impact venture capital are included in the investment income. The unrealized gains related to assets still held at March 31, 2026 were $21,072.

The following table discloses the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent) as of March 31, 2026. As of March 31, 2026, unfunded commitments related to impact venture capital were $54.

March 31,	2026
Investment Type	
Global equity	$ 42,881
Impact venture capital	1,583
Real estate	37,091
Liquid alternatives	91,082
Multi-asset credit	76,302
Treasury inflation-protected security index fund	9,986
Total investments held at NAV	**$ 258,925**

Global equities are mainly composed of common stocks in various business sectors. The fair values of the investments within the fund are based on the current market prices or quotations readily available on the day of valuation. Requests for common stock redemption may be made on each business day based upon the net asset value per unit and the closing market value on the valuation date of the investments bought or sold. The fund's investment objective is to approximate as closely as practicable, before expenses, the performance of the Standard & Poor's 500® Tobacco Free Index over the long term.

The real estate holdings are recorded at NAV, which approximates fair value as determined by independently conducted appraisals of the properties. The appraisals of the real estate holdings have been prepared with consideration to the income, cost, and sales comparison approaches of estimating property value. Requests for redemption may be made by delivering a redemption notice at least 45 days in advance. The investment objective is to give investors a robust core real estate portfolio that provides a diversified portfolio of the highest quality assets, both durable and growing income with highly liquid assets and a conservative risk profile. There are no unfunded commitments.

The liquid alternatives are private investment funds that target to provide superior risk-adjusted returns through diversified portfolio investments. The investments' net asset values are determined by valuation methods of external pricing, internal modeling, price estimates, comparable analysis, or official closing price on the principal exchange markets for such investments as of the valuation point. Investment capital can be redeemed at the end of any calendar quarter. Certain shareholder classes have a redemption cap ranging from 20% to 25% per quarter, and others do not have a redemption cap.

The multi-asset credit holdings are primarily fixed income instruments that include, but are not limited to, plus sector fixed income such as high yield, bank loans, emerging market debts, and investment grade credit. The fair values of the investments within the holding fund are based on quoted prices in active markets for identical investments or other significant observable inputs including quoted prices for similar investments, interest rates, prepayment speeds, or credit risk. Requests for redemption may be made with a minimum of five business days advance notice. The fund's investment objective is to rotate between the various fixed income sectors for efficient risk management and exposure.

TIPS, which are recorded at NAV, are part of an index fund that seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Bloomberg U.S. TIPS Index over the long term. The fund may invest in securities and derivative instruments, equity investments, investments in registered investment companies, and fixed income investments. The fair values of the investments within the index fund are based on unadjusted quoted prices in active markets for identical assets or liabilities or on prices determined using other significant observable inputs such as quoted prices for similar assets or liabilities, interest rates, yield curves, foreign exchange rates, volatilities, prepayment speeds, credit risk, or other market corroborated inputs. Requests for redemption may be made with a minimum of one business day advance notice.

9. Fixed Assets

Fixed assets are as follows as of:

March 31,	2026
Land	$ 18,507
Buildings and leasehold improvements	362,600
Furniture, fixtures, equipment, and other capitalized assets	18,721
Computer software	32,485
Construction in progress	23,936
Less: accumulated depreciation and amortization	(197,165)
Total fixed assets, net	$ 259,084

Depreciation and amortization expense, including expenses on assets used in exchange transactions for the year ended March 31, 2026, was $17,451.

10. Debt

There are certain properties financed based on market conditions and cash flow needs at the time of financing. Outstanding debt, subject to certain loan covenants, is as follows as of:

Type	Issuer	Maturity Date	Fixed Interest Rate	Balance at March 31, 2026	Collateral
Note Payable	TD Bank, N.A.	2027	2.46%	$ 19,084	New York City Hope Lodge facility, net book value of $18,547 at March 31, 2026, and all assets constituting general revenues

The future principal payments on debt are as follows as of:

March 31, 2026	Amount
Payable in the next:	
12 months	$ 2,011
13 - 24 months	17,073
Total debt	$ 19,084

11. Research and Other Program Grants Payable

As part of ACS' commitment to the fight against cancer, grants are provided to improve both the prevention and detection of cancer. The total amount of future payments under research and other program grants as of March 31, 2026 is $250,964. The present value of future payments as of March 31, 2026 is $242,660. The discount at March 31, 2026 of $8,304 will be recognized as grants for mission program services expense in 2027 through 2031. Future payments are as follows as of:

March 31, 2026		**Amount**
Payable in the next:		
12 months	**$**	**113,551**
13 - 24 months		**75,697**
25 - 36 months		**40,405**
37 - 48 months		**19,303**
49 - 60 months		**2,008**
Discount		**(8,304)**
Total research and other program grants payable, net	**$**	**242,660**

12. Leases

At March 31, 2026, ACS had operating and finance leases for certain facilities and land with lease terms ranging from one to 38 years, with some options to extend up to 20 years or terminate within one year. Finance leases were not material to the consolidated financial statements for the year ended March 31, 2026.

Included in the Hope Lodge and community facilities expenses, operating lease expense consisted of the following:

Year Ended March 31,		**2026**
Operating lease expense	**$**	**9,617**
Short-term and variable lease expense		**4,112**
Sublease income		**(39)**
Total lease expense	**$**	**13,690**

Consolidated supplemental cash flow information related to operating leases consisted of the following:

Year Ended March 31,		**2026**
Operating cash paid included in the measurement of operating lease liabilities	**$**	**9,828**
Right-of-use assets obtained in the exchange for operating lease obligations	**$**	**4,571**

Consolidated lease terms and discount rate information related to operating leases consisted of the following as of:

March 31,	2026
Weighted-average remaining lease terms (in years):	**5.32**
Weighted-average incremental borrowing rate:	**5.30%**

Finance lease assets are recorded net of accumulated depreciation and amortization of $195 as of March 31, 2026.

Maturities of operating lease liabilities for the next five years and thereafter consist of the following as of March 31, 2026:

Years Ending March 31,	Amount
2027	**$ 9,275**
2028	**7,319**
2029	**5,348**
2030	**3,879**
2031	**2,663**
Thereafter	**5,397**
Minimum lease payments	**33,881**
Less amount representing interest	**(5,058)**
Total net minimum lease payments	**28,823**
Less current portion	**(7,955)**
Noncurrent portion of net minimum lease payments	**$ 20,868**

13. Employee Retirement Benefit Plans

ACS has a variety of retirement benefit programs that cover nearly all of its employees. A noncontributory defined benefit pension plan (Plan) was frozen in 2016 to new participants, and participants are no longer earning benefits for service performed under the Plan. Benefits of the Plan are based on years of service and certain averages of compensation. When required, the Plan is funded on a quarterly basis based on estimates of annual funding levels stated by pension requirements, which are enforced by regulatory agencies. In general, these requirements stipulate that the Plan be funded at a level of 60% to continue to pay full benefits to retired individuals. As of December 31, 2025, the Plan was funded at 102% based on regulatory funding levels.

ACS also sponsors a defined contribution plan with benefits based on individual employee salary deferrals and a related employer matching amount, subject to a maximum. The matching amounts totaled $12,693 for the year ended March 31, 2026.

In addition, ACS has an unfunded postretirement benefit plan for post-retirement medical, dental, and life insurance coverage for certain employees hired prior to 1995, subject to deductibles, co-payment provisions, and other limitations. During the year ended March 31, 2026, general assets were used to pay for $2,916 of these benefits.

Approximately $2,303 is expected to be contributed to all defined benefit plans over the next 12 months.

The current strategic mix for the Plan's assets is a blended exposure to equity and debt market risk. The Plan employs an active management strategy that has historically generated returns in excess of established benchmarks and places greater emphasis on manager skills to produce excess return while employing various risk mitigation strategies to reduce volatility. The Plan's assets consist of the following as of:

	2026		Target
March 31,	**Allocation**	**Target**	**Bands (+/-)**
Global equity	**10%**	**12%**	**5%**
Multi-asset credit	**1**	**1**	**5**
Real estate	**4**	**1**	**5**
Core fixed income	**83**	**86**	**5**
Cash and cash equivalents	**2**	**-**	**-**
	100%	**100%**	

Targets are as a percentage of the total return-seeking portfolio. Bands around targets are as of a percentage of the total Plan.

A "building block approach" is used in determining the long-term rate of return for Plan assets. Historical markets are studied and long-term historical relationships between equity and debt are preserved, consistent with the widely accepted capital market principle that assets with higher volatility generate a greater return over the long run. Current market factors such as inflation and interest rates are evaluated before long-term capital market assumptions are determined. The long-term portfolio return is established with proper consideration of diversification and rebalancing. Peer data and historical returns are reviewed to check for reasonability and appropriateness. While the approach gives appropriate consideration to recent fund performance and historical returns, the assumption is primarily a long-term prospective rate.

The cost of providing postretirement benefits for medical, dental, and life insurance coverage is accrued over the active service period of employees. Medical trend rates do not apply as the plans are on fixed payment amounts.

A spot rate yield curve is utilized to estimate the pension benefit obligation and net periodic benefit costs, which provides an accurate measurement of interest costs by applying the spot rate that could be used to settle each projected cash flow individually.

Information related to the Plan and the postretirement benefit plan at March 31, 2026 and the related changes during the year then ended are as follows:

	Retirement Benefits	Postretirement Nonpension Benefits	Total Retirement and Postretirement Benefits
Change in Benefit Obligation			
Benefit obligation at beginning of year	$ 439,553	$ 27,543	$ 467,096
Service cost	-	14	14
Interest cost	22,204	1,332	23,536
Actuarial gain	(22,040)	(561)	(22,601)
Plan participant contributions	-	176	176
Benefits paid	(29,173)	(3,092)	(32,265)
Benefit obligation at end of year	$ 410,544	$ 25,412	$ 435,956
Change in Plan Assets			
Fair value of plan assets at beginning of year	$ 438,831	$ -	$ 438,831
Actual expenses paid	(1,338)	-	(1,338)
Actual return on plan assets	24,516	-	24,516
Employer contributions	-	2,916	2,916
Plan participant contributions	-	176	176
Benefits paid	(29,173)	(3,092)	(32,265)
Fair value of plan assets at end of year	$ 432,836	$ -	$ 432,836
Funded status and amounts recognized in the balance sheet in employee retirement benefits	$ 22,292	$ (25,412)	$ (3,120)
Weighted Average Actuarial Assumptions			
Discount rate:			
Net periodic pension service cost	N/A	5.78%	
Net periodic pension interest cost	5.27%	5.06%	
Benefit obligation	5.62%	5.42%	
Expected return on plan assets	6.50%	N/A	
Rate of compensation increase	N/A	4.53%	
Amounts not yet recognized in net periodic pension costs			
Unrecognized prior service credit at beginning of year	$ -	$ -	$ -
Change in prior service cost	-	-	-
Unrecognized prior service credit at end of year	$ -	$ -	$ -
Unrecognized actuarial losses (gains) at beginning of year	$ 143,651	$ (4,535)	$ 139,116
Change in actuarial gains	(22,191)	(417)	(22,608)
Unrecognized actuarial losses (gains) at end of year	$ 121,460	$ (4,952)	$ 116,508

Year Ended March 31, 2026	Retirement Benefits	Postretirement Nonpension Benefits	Total Retirement and Postretirement Benefits
Amounts Recognized as a Reduction (Increase) to Unrestricted Net Assets			
Amounts recognized as a reduction (increase) to unrestricted net assets at beginning of year	$ 143,651	$ (4,535)	$ 139,116
Change in prior services credit	-	-	-
Change in actuarial gains	(22,191)	(417)	(22,608)
Amounts recognized as a reduction (increase) to unrestricted net assets at end of year	$ 121,460	$ (4,952)	$ 116,508
Components of net periodic benefit cost			
Service cost	$ -	$ 14	$ 14
Interest cost	22,204	1,332	23,536
Expected return on plan assets	(27,271)	-	(27,271)
Administrative expenses	1,330	-	1,330
Amortization of:			
Unrecognized prior service cost (credit)	-	-	-
Unrecognized actuarial losses (gains)	2,914	(144)	2,770
Settlement expense (credit)	-	-	-
Net periodic benefit cost	$ (823)	$ 1,202	$ 379
Accumulated benefit obligation	$ 410,544	$ 25,412	$ 435,956
Estimated future benefits payable in the next:			
12 months	$ 32,887	$ 2,303	$ 35,190
13 – 24 months	31,229	2,273	33,502
25 – 36 months	30,998	2,230	33,228
37 – 48 months	30,476	2,191	32,667
49 – 60 months	31,100	2,153	33,253
Thereafter	151,399	10,055	161,454

ACS expects to contribute $0 to the Plan and approximately $2,303 to the postretirement benefit plan over the next 12 months. The actuarial losses included in net assets without donor restrictions related to the Plan expected to be recognized in net periodic pension cost over the next 12 months are $2,338. The actuarial gains included in net assets without donor restrictions related to the postretirement benefit plan expected to be recognized in net periodic benefit cost are $197 within the same period.

As of March 31, 2026, employee retirement benefits liabilities reported on the balance sheet include an additional $7,775 related to the 457(b) and 457(f) plans.

A description of the valuation methods used for assets measured at fair value is available in Note 8. The fair value of the Plan's assets is as follows as of:

	Financial Assets Measured at Fair Value on a Recurring Basis				
March 31, 2026	**Level 1**	**Level 2**	**Level 3**	**NAV***	**Total**
Global equity	**$ 2,753**	**$ -**	**$ -**	**$ 38,257**	**$ 41,010**
Multi-asset credit	**2,932**	**-**	**-**	**-**	**2,932**
Real estate	**-**	**-**	**-**	**19,172**	**19,172**
Core fixed income	**25**	**361,181**	**-**	**-**	**361,206**
Cash and cash equivalents	**8,516**	**-**	**-**	**-**	**8,516**
Total plan assets	**$ 14,226**	**$ 361,181**	**$ -**	**$ 57,429**	**$ 432,836**

* In accordance with ASC Topic 820, *Fair Value Measurement*, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

14. Endowment

Relevant Law

As a New York corporation, ACS is subject to the New York Prudent Management of Institutional Funds Act (NYPMIFA), and with respect to the donor-restricted endowment funds, they pursue the preservation of the fair value of the original gift as of the gift date of such funds, absent explicit donor stipulations to the contrary. As a result, the following are classified as net assets with donor restrictions: (a) the original value of gifts to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) the donor-restricted endowment fund for which the donor-stipulated purpose has not been fulfilled and/or the required time period has not elapsed. Amounts that are not restricted in perpetuity are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Year Ended March 31, 2026	**With Donor Restrictions**
Endowment net asset composition by type and changes in endowments	
Endowment net assets, beginning	**$ 171,590**
Investment return, net	**18,036**
Endowment additions	**6,104**
Appropriation of endowment assets for expenditure	**(10,327)**
Endowment net assets, ending	**$ 185,403**

The use of endowments has been limited by donors for the following purposes as of:

March 31,		**2026**
Mission programs:		
Patient support:		
Hope Lodge facilities	**$**	**56,363**
Other		**26,708**
Research		**62,896**
Across mission programs:		
Time		**24,376**
Specific geographic locations		**13,057**
Other		**2,003**
Endowment net assets	**$**	**185,403**

Funds with Deficiencies

From time to time, due to adverse market conditions, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original fair value of such endowment funds. Deficiencies of this nature are reported in net assets with donor restrictions, to the extent there are accumulated gains available to absorb such loss, or otherwise in net assets without donor restrictions. Deficiencies of this nature that are reported in net assets without donor restrictions were $66 as of March 31, 2026.

Return Objectives and Risk Parameters

Investment and spending policies for endowment assets attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Under these policies, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of relevant market indices while assuming a moderate level of investment risk.

Spending Policy

The following factors were considered in developing the spending policy with regard to donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) mission and donor-restricted endowment funds, (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, (7) investment policies, and (8) where appropriate, alternatives to spending from the donor-restricted funds and the possible effects of those alternatives.

Unless the donor has specified otherwise and in compliance with the desire to preserve the original gift value, 4% of the three-year rolling average fair value of an endowment is available for spending each year, to the extent of a donor restricted endowment's cumulative undistributed earnings. In addition, the difference between the actual total return each year and the spending percentage is charged or credited to net assets without donor restrictions or net assets with donor restrictions (depending on the donor's instructions regarding the use of investment income or relevant law). A

spending policy is considered necessary to carry out the statutorily prescribed standard of ordinary business care and prudence and uses a spending rate of 4% in order to maintain the purchasing power of the endowment. There were $10,317 of endowment assets appropriated for expenditure during the year ended March 31, 2026. Endowment assets consist of the following as of:

	Current Allocation	Target Allocation		
March 31,	**2026**	**Minimum**	**Target**	**Maximum**
Global equity	**53%**	45%	55%	65%
Real estate	**9**	5	10	15
Liquid alternatives	**13**	5	10	15
Multi-asset credit	**14**	10	15	20
Core fixed income	**5**	0	5	10
Treasury inflated protected securities	**5**	0	5	10
Cash and cash equivalents	**1**	0	0	0
	100%		100%	

15. Net Assets

Net assets, revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as described below.

Net assets without donor restrictions result from contributions of assets whose use is not specified by donors through time and specific purpose restrictions. Included in net assets without donor restrictions are investments in fixed assets, net of debt, of $240,000 on March 31, 2026. For the year ended March 31, 2026, the Board of Directors did not designate any net assets without donor restrictions for any specific purposes.

Contributions of assets whose use is specified by donors through time and specific purpose restrictions are included in net assets with donor restrictions. For net assets with time restrictions, the assets are not restricted for a specific purpose by the donor. Instead, the donor's restriction on the use of those assets may be met with the passage of time or at a specific point in time if the time restriction is not in perpetuity. Included in net assets with donor restrictions at March 31, 2026 is $592,497 that has not yet been received in cash and which will be used for mission program services once received.

The use of net assets with donor restrictions has been limited by donors for the following purposes as of:

March 31, 2026	Purpose and Time Restrictions	In Perpetuity	Total
Mission programs:			
Patient support:			
Hope Lodge facilities	$ 137,674	$ 46,450	$ 184,124
Other	70,152	203,849	274,001
Research	104,211	95,084	199,295
Advocacy	9,164	-	9,164
Across mission programs:			
Time	167,782	27,042	194,824
Specific geographic locations	12,978	35,216	48,194
Other mission program and mission support services	955	1,628	2,583
Total net assets with donor restrictions	**$ 502,916**	**$ 409,269**	**$ 912,185**

During the year ended March 31, 2026, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, the passage of time, or by occurrence of other events satisfying restrictions specified by donors as follows:

March 31,	2026
Purpose restrictions accomplished:	
Mission programs:	
Patient support:	
Hope Lodge facilities	$ 30,828
Other	142,338
Research	82,210
Advocacy	13,429
Across mission programs:	
Specific geographic locations	9,467
Other	2,845
Time restrictions expired – passage of specified time	35,308
Net assets released from restrictions	**$ 316,425**

16. Commitments and Contingencies

ACS may, from time to time, be a party to legal claims arising in the course of normal business activities. Although the ultimate outcome of these claims cannot be ascertained at this time, none of these matters, when resolved, are expected to have a material effect to net assets.

The cost-reimbursement grant programs are subject to independent audit under federal regulations and review by grantor agencies. These audits and reviews could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, any costs ultimately disallowed are not expected to materially affect the consolidated financial position.

17. Related Parties

Strong leadership and visionary thinking have built ACS into the global leader in the fight against cancer. The Board of Directors and management are comprised of individuals that are leaders in their field and come from diverse backgrounds with a wealth of knowledge and experience. Due to the expansive outreach of these individuals and ACS itself, at times it is in the Organization's best interest to enter into transactions in which these individuals or their related parties are involved. There is a conflict-of-interest policy which requires disclosure of conflicts of interest as well as recusal by the conflicted persons from decision making on behalf of ACS, among other procedures. Related party transactions had a negligible impact on the consolidated financial statements for the year ended March 31, 2026.

18. Subsequent Events

Management has evaluated the need for disclosures and/or adjustments resulting from subsequent events through September 25, 2026, the date the consolidated financial statements were issued. During this period, there were no subsequent events that required recognition or disclosure in the consolidated financial statements.