Chicago Public Library Foundation

Financial Report
with Supplemental Information
December 31, 2025

Contents

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Independent Auditor's Report

To the Board of Directors
Chicago Public Library Foundation

Opinion

We have audited the financial statements of the Chicago Public Library Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2025 and 2024 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2025 and 2024 and the changes in its net assets, functional expenses, and 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 Audits of the Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audits of the Financial Statements

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

To the Board of Directors
Chicago Public Library Foundation

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

June 17, 2026

Statement of Financial Position

December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 1,288,122	$ 2,194,605
Pledges receivable, net	724,230	223,924
Interest/dividends receivable	90,148	55,523
Investments	40,110,306	36,371,412
Prepaid expenses	78,339	80,807
Property, equipment and collections	1	1
Right-of-use assets - Operating - Net	425,850	16,087
Total assets	$ 42,716,996	$ 38,942,359
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 379,779	$ 393,009
Lease liabilities - Operating	433,138	16,616
Total liabilities	812,917	409,625
Net Assets		
Without donor restrictions:		
Undesignated	21,253,326	19,015,237
Designated by the Board for endowment	1,389,478	1,259,246
Designated by the Board for other	1,550,000	1,925,000
Total without donor restrictions	24,192,804	22,199,483
With donor restrictions:		
Perpetual in nature	8,841,882	8,841,882
Endowment earnings subject to appropriations	6,072,355	4,674,496
Purpose restrictions	2,797,038	2,816,873
Total with donor restrictions	17,711,275	16,333,251
Total net assets	41,904,079	38,532,734
Total liabilities and net assets	$ 42,716,996	$ 38,942,359

See notes to financial statements.

Statement of Activities and Changes in Net Assets

Year Ended December 31, 2025

(with comparative totals for the year ended December 31, 2024)

	Undesignated and Designated by the Board for endowment	Designated by the Board for other	Total Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Operating						
Support and revenue:						
Contributions	$ 1,592,317	$ -	$ 1,592,317	$ 1,498,391	$ 3,090,708	$ 2,019,946
Special event revenue, net of expenses	703,865	-	703,865	300,000	1,003,865	425,422
Appropriation of investment assets	1,471,542	-	1,471,542		1,471,542	1,409,132
Other income	67,202	-	67,202	-	67,202	44,542
Contributed nonfinancial assets	110,032	-	110,032	-	110,032	81,098
Transfer to undesignated	375,000	(375,000)	-	-	-	-
Net assets released from restrictions	1,818,226		1,818,226	(1,818,226)	-	-
Total support and revenue	6,138,184	(375,000)	5,763,184	(19,835)	5,743,349	3,980,140
Expenses						
Program services	4,027,938	-	4,027,938	-	4,027,938	3,846,563
Supporting services						
Management and general	739,364	-	739,364	-	739,364	723,904
Fundraising	1,368,477	-	1,368,477	-	1,368,477	1,334,330
Total expenses	6,135,779	-	6,135,779	-	6,135,779	5,904,797
Change in Net Assets From Operating Activities	2,405	(375,000)	(372,595)	(19,835)	(392,430)	(1,924,657)
Nonoperating						
Net gains on investments	3,240,012	-	3,240,012	1,995,305	5,235,317	3,416,047
Appropriation of investment assets	(874,096)	-	(874,096)	(597,446)	(1,471,542)	(1,409,132)
Change in net assets from nonoperating activities	2,365,916	-	2,365,916	1,397,859	3,763,775	2,006,915
Change in net assets	2,368,321	(375,000)	1,993,321	1,378,024	3,371,345	82,258
Net Assets, Beginning	20,274,483	1,925,000	22,199,483	16,333,251	38,532,734	38,450,476
Net Assets, Ending	$ 22,642,804	$ 1,550,000	$ 24,192,804	$ 17,711,275	$ 41,904,079	$ 38,532,734

See notes to financial statements.

Statement of Activities and Changes in Net Assets

Year Ended December 31, 2024

	Undesignated and Designated by the Board for endowment	Designated by the Board for other	Total Without Donor Restrictions	With Donor Restrictions	2024 Total
Operating					
Support and revenue:					
Contributions	$ 778,227	$ -	$ 778,227	$ 1,241,719	$ 2,019,946
Special event revenue, net of expenses	425,422	-	425,422	-	425,422
Appropriation of investment assets	1,409,132	-	1,409,132		1,409,132
Other income	44,542	-	44,542	-	44,542
Contributed nonfinancial assets	81,098	-	81,098	-	81,098
Transfer to undesignated	725,000	(725,000)	-	-	-
Net assets released from restrictions	2,442,061		2,442,061	(2,442,061)	-
Total support and revenue	5,905,482	(725,000)	5,180,482	(1,200,342)	3,980,140
Expenses					
Program services	3,846,563	-	3,846,563	-	3,846,563
Supporting services					
Management and general	723,904	-	723,904	-	723,904
Fundraising	1,334,330	-	1,334,330	-	1,334,330
Total expenses	5,904,797	-	5,904,797	-	5,904,797
Change in Net Assets From Operating Activities	685	(725,000)	(724,315)	(1,200,342)	(1,924,657)
Nonoperating					
Net gains on investments	2,094,208	-	2,094,208	1,321,839	3,416,047
Appropriation of investment assets	(863,869)	-	(863,869)	(545,263)	(1,409,132)
Change in net assets from nonoperating activities	1,230,339	-	1,230,339	776,576	2,006,915
Change in net assets	1,231,024	(725,000)	506,024	(423,766)	82,258
Net Assets, Beginning	19,043,459	2,650,000	21,693,459	16,757,017	38,450,476
Net Assets, Ending	$ 20,274,483	$ 1,925,000	$ 22,199,483	$ 16,333,251	$ 38,532,734

See notes to financial statements.

Statement of Functional Expenses

Year Ended December 31, 2025

	Program Services						Support Services			
	Closing the Academic Opportunity Gap	Activating Connection & Creativity for All	Bridging the Digital Divide	Branch Programs	Other Library Programs	Total	Management and General	Fundraising	Total	Total
Salaries, payroll taxes, and benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ 483,599	$ 883,117	$ 1,366,716	$ 1,366,716
Books, subscriptions, and publications	26,489	124,345	-	14,802	-	165,636	-	20,257	20,257	185,893
Computer hardware, software, supplies, and amortization	322	36,870	41,356	1,073	-	79,621	52,495	70,657	123,152	202,773
Conferences, meetings, and training	6,323	1,480	-	15	-	7,818	-	5,531	5,531	13,349
Donated services/materials	75,000	25,000	-	-	-	100,000	882	315,628	316,510	416,510
Dues, fees, and memberships	70	500	-	-	-	570	30,645	11,848	42,493	43,063
Honoraria	222,651	530,322	-	50,660	-	803,633	-	17,100	17,100	820,733
Insurance	-	-	-	-	-	-	13,686	-	13,686	13,686
Library program promotion	76,447	56,632	-	456	16,074	149,609	-	-	-	149,609
Marketing	-	-	-	-	-	-	-	161,572	161,572	161,572
Office supplies	-	-	-	-	-	-	1,506	5,778	7,284	7,284
Postage, shipping, and messengers	788	-	-	15	93	896	80	32,970	33,050	33,946
Printing and design	66,420	38,284	-	-	487	105,191	-	31,280	31,280	136,471
Audit and tax returns	-	-	-	-	-	-	53,320	-	53,320	53,320
Grant funded positions	528,323	154,397	728,953	-	-	1,411,673	-	-	-	1,411,673
Investment consultants	-	-	-	-	-	-	44,364	-	44,364	44,364
Legal services	-	-	-	-	-	-	8,414	-	8,414	8,414
Other professional services	36,705	23,696	2,860	-	150,081	213,342	1,941	49,423	51,364	264,706
Rent, telephone, and utilities	-	-	-	-	-	-	47,013	70,993	118,006	118,006
Program materials	360,742	388,896	50	101,994	-	851,682	-	-	-	851,682
Special event and other operating expenses	-	-	-	-	-	-	-	456,647	456,647	456,647
Indirect costs	-	44,500	-	-	-	44,500	-	-	-	44,500
Transportation, travel, and business	15,708	63,053	1,260	7,461	6,285	93,767	1,419	71,074	72,493	166,260
Total functional expenses	**$ 1,415,988**	**$ 1,487,975**	**$ 774,479**	**$ 176,476**	**$ 173,020**	**$ 4,027,938**	**$ 739,364**	**$ 2,203,875**	**$ 2,943,239**	**$ 6,971,177**

See notes to financial statements.

Statement of Functional Expenses

Year Ended December 31, 2024

	Program Services						Support Services			
	Closing the Academic Opportunity Gap	Activating Connection & Creativity for All	Bridging the Digital Divide	Branch Programs	Other Library Programs	Total	Management and General	Fundraising	Total	Total
Salaries, payroll taxes, and benefits	$ -	$ -	$ -	$ -	$ -	$ -	$ 464,526	$ 885,226	$ 1,349,752	$ 1,349,752
Books, subscriptions, and publications	22,392	63,447	-	15,422	-	101,261	-	46,977	46,977	148,238
Computer hardware, software, supplies, and amortization	2,721	3,505	16,190	26,229	-	48,645	53,541	62,474	116,015	164,660
Conferences, meetings, and training	-	2,949	-	-	-	2,949	-	1,058	1,058	4,007
Donated services/materials	75,000	-	-	-	-	75,000	-	251,446	251,446	326,446
Dues, fees, and memberships	-	500	-	-	-	500	21,378	22,273	43,651	44,151
Honoraria	210,341	464,853	-	62,238	10,117	747,549	-	-	-	747,549
Insurance	-	-	-	-	-	-	11,994	-	11,994	11,994
Library program promotion	43,126	42,467	-	59	26,205	111,857	-	-	-	111,857
Marketing	-	-	-	-	-	-	396	191,285	191,681	191,681
Office supplies	-	10,992	-	-	-	10,992	2,152	11,590	13,742	24,734
Postage, shipping, and messengers	-	-	-	-	-	-	699	22,179	22,878	22,878
Printing and design	75,226	22,669	-	-	-	97,895	-	17,866	17,866	115,761
Audit and tax returns	-	-	-	-	-	-	52,539	-	52,539	52,539
Grant funded positions	431,223	51,382	582,448	-	-	1,065,053	-	-	-	1,065,053
Investment consultants	-	-	-	-	-	-	41,937	-	41,937	41,937
Legal services	-	-	-	-	-	-	3,531	-	3,531	3,531
Other professional services	97,724	398,263	10,000	-	1,000	506,987	23,725	309,046	332,771	839,758
Rent, telephone, and utilities	-	-	-	-	-	-	37,839	66,696	104,535	104,535
Program materials	416,817	431,820	4,646	112,591	3,349	969,223	-	-	-	969,223
Special event and other operating expenses	-	-	-	-	-	-	-	239,339	239,339	239,339
Indirect costs	-	35,000	-	-	-	35,000	-	-	-	35,000
Transportation, travel, and business	15,852	49,533	548	7,719	-	73,652	9,647	32,837	42,484	116,136
Total functional expenses	**$ 1,390,422**	**$ 1,577,380**	**$ 613,832**	**$ 224,258**	**$ 40,671**	**$ 3,846,563**	**$ 723,904**	**$ 2,160,292**	**$ 2,884,196**	**$ 6,730,759**

See notes to financial statements.

Statement of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Increase in net assets	$ 3,371,345	$ 82,258
Adjustments to reconcile increase in net assets to net cash and cash equivalents from operating activities:		
Realized and unrealized gain on investments	(4,365,514)	(2,662,888)
Net change in right-of-use assets and liabilities	6,759	(2,688)
Changes in operating assets and liabilities that (used) provided cash and cash equivalents:		
Pledges receivable	(500,306)	1,539,854
Interest/dividends receivable	(34,625)	47,939
Prepaid expenses	2,468	(1,183)
Accounts payable	(13,230)	(50,888)
Net cash and cash equivalents used in operating activities	(1,533,103)	(1,047,596)
Cash Flows from Investing Activities		
Purchase of investments	(2,402,317)	(2,501,162)
Sale of investments	3,028,937	1,700,000
Net cash and cash equivalents provided by (used in) investing activities	626,620	(801,162)
Net Decrease in Cash and Cash Equivalents	(906,483)	(1,848,758)
Cash and Cash Equivalents - Beginning of year	2,194,605	4,043,363
Cash and Cash Equivalents - End of year	**$ 1,288,122**	**$ 2,194,605**
Significant Noncash Transactions - Recognition of operating lease right-of-use asset and liability	$ 502,977	$ -

Note 1 - Nature of Business

Chicago Public Library Foundation (the "Foundation" or CPLF) was created in 1986 by visionary civic leaders who shared a conviction that private resources are essential to keeping the outstanding Chicago Public Library (the "Library" or CPL) truly world class. Established in the spirit of a true public/private partnership with the City of Chicago, Illinois, the Foundation is an independent nonprofit organization. As a publicly supported entity, gifts to the Foundation are tax deductible to the extent permitted by law. The Foundation's mission is to support collection development, programs, and technology initiatives that connect library users to their community and to the world and ensure that all Chicagoans have the freedom to read, learn, and discover at the Chicago Public Library.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Foundation have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers its checking, unrestricted money market, and petty cash to be cash and cash equivalents. Cash balances are maintained at a financial institution and at times may exceed federally insured limits.

Pledges Receivable

Pledges of cash and other assets, including unconditional promises to give in the future, are reported as revenue when granted or received, measured at fair value. Pledges receivable at December 31, 2025 and 2024 are expected to be collected within three years. The Foundation has not recorded a provision for doubtful accounts since it is the opinion of management that those receivables are collectible in full. Conditional promises to give are not included as revenue until conditions are substantially met. There were no conditional promises to give at December 31, 2025 or 2024. Promises to give at December 31, 2025 and 2024 are $724,230 and $223,924, respectively.

Pledges due within one year totaled $474,230 and $223,924 as of December 31, 2025 and 2024, respectively. Pledges due between one and five years totaled $250,000 as of December 31, 2025. There were no long-term pledges as of December 31, 2024.

Investments

Investments are reported at their fair values in the statement of financial position. Donated investments are recorded at their fair value as of the date of contribution. Interest and dividend income and unrealized and realized gains and losses are included in the accompanying statement of activities and changes in net assets. The investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term that could materially affect the amounts reported in the financial statements.

Property, Equipment, and Collections

The Foundation records property and equipment at cost and depreciates the cost using the straight-line method. Although the financial statements do not disclose the cumulative value of collections, certain artwork received in 1991, as an unrestricted donation, has been cataloged and preserved. The artwork acquired prior to December 31, 1991 carries a value of $1. Since 2003, the artwork has been displayed, on permanent loan, in the Joan W. and Irving B. Harris Theater for Music and Dance.

Note 2 - Significant Accounting Policies (Continued)

Leases

The Foundation has an operating lease, as described in Note 8. The Foundation recognizes expense for its operating lease on a straight-line basis over the lease term. The Foundation made a policy election not to separate lease and nonlease components for its lease. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability.

The Foundation elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for its lease.

Classification of Net Assets

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

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

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Board-designated Net Assets

Board-designated net assets are net assets without donor restrictions designated by the board primarily for programs at the libraries, such as programs at the Lincoln Park branch library, support for the Teacher in the Library, and other children's programs. These designations are based on board actions, which can be altered or revoked at a future time by the board.

Contributions

Unconditional promises to give cash and other assets to the Foundation are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift becomes unconditional or is received. The gifts are reported as contributions with donor restrictions 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 the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the period in which the contributions are received are reported as contributions without donor restrictions in the accompanying financial statements. Net assets with donor restrictions at December 31, 2025 and 2024 are restricted for time and various program purposes.

Contributed Nonfinancial Assets

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. See Note 7 for additional information. In addition, various board members donated personal services to the Foundation. These donated services are not reflected in the financial statements since the services are not required to be recorded.

Note 2 - Significant Accounting Policies (Continued)

Special Event Revenue

The Foundation records special event revenue equal to the fair value of direct benefits to donors and contribution income for the excess received when the event takes place.

Grants to the Library

The Foundation recognizes unconditional promises to make grants to the Library as expenses in the period in which the promise is made. Conditional promises to give, however, are not recognized until the conditions on which they depend are substantially met. Grant obligations are measured at their fair values.

Functional Allocation of Expenses

Costs of providing the program and support services have been reported on a functional basis in the statement of functional expenses. Costs have been allocated between the various program and support services on the basis of actual expense. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Occupancy cost and salaries and wages were allocated on estimates of time and effort. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Reclassification

Certain 2024 amounts presented in the statement of functional expenses have been reclassified to conform to the 2025 presentation to incorporate special event expenses.

Income Taxes

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including June 17, 2026, which is the date the financial statements were available to be issued.

Note 3 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

Note 3 - Fair Value Measurements (Continued)

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at December 31, 2025 and 2024 and the valuation techniques used by the Foundation to determine those fair values:

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2025			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2025
Assets				
Mutual funds:				
U.S. equity funds	$ 15,063,598	$ -	$ -	$ 15,063,598
Non-U.S. equity funds	10,263,866	-	-	10,263,866
Global equity	3,323,315	-	-	3,323,315
Real assets	1,999,282	-	-	1,999,282
Credit	1,843,136	-	-	1,843,136
Fixed-income funds	7,315,060	-	-	7,315,060
Total assets	$ 39,808,257	$ -	$ -	$ 39,808,257

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2024			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2024
Assets				
Mutual funds:				
U.S. equity funds	$ 14,216,827	$ -	$ -	$ 14,216,827
Non-U.S. equity funds	8,993,434	-	-	8,993,434
Global equity	2,630,546	-	-	2,630,546
Real assets	1,743,935	-	-	1,743,935
Credit	1,718,956	-	-	1,718,956
Fixed-income funds	6,853,474	-	-	6,853,474
Total assets	$ 36,157,172	$ -	$ -	$ 36,157,172

Not included in the above table is $302,049 and $214,240 of an insured deposit account as of December 31, 2025 and 2024, respectively. The Foundation considers the insured deposit account to be comparable to cash, which can be used to buy or sell investments in marketable equity securities or fixed-income securities.

Note 4 - Net Assets

Net assets with donor restrictions as of December 31 are available for the following purposes:

	2025	2024
Subject to expenditures for a specified purpose:		
Closing the Academic Opportunity Gap	$ 257,632	$ 440,764
Activating Connection & Creativity for All	1,416,542	1,719,851
Bridging the Digital Divide	187,026	67,026
Branch programs	366,078	346,859
Other library programs	51,147	98,760
Franzin Innovation Fund	143,613	143,613
General support	375,000	-
Total subject to expenditures for a specified purpose	2,797,038	2,816,873
Endowments:		
Subject to appropriations and expenditure when a specified event occurs	6,072,355	4,674,496
Restricted in perpetuity	8,841,882	8,841,882
Total endowments	14,914,237	13,516,378
Total	$ 17,711,275	$ 16,333,251

Note 5 - Donor-restricted and Board-designated Endowments

The Foundation's endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. Net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Foundation is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of directors appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of directors of the Foundation had interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Foundation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Note 5 - Donor-restricted and Board-designated Endowments (Continued)

Information regarding the endowment net assets as of December 31, 2025 and 2024 and changes in endowment net assets for the years then ended is as follows:

	Endowment Net Asset Composition by Type of Fund as of December 31, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 1,389,478	$ -	$ 1,389,478
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	8,841,882	8,841,882
Accumulated investment gains	-	6,072,355	6,072,355
Total	$ 1,389,478	$ 14,914,237	$ 16,303,715

	Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	$ 1,259,246	$ 13,516,378	$ 14,775,624
Investment return - Net	181,149	1,944,388	2,125,537
Appropriation of endowment assets for expenditure	-	(546,529)	(546,529)
Other changes - Distribution from board-designated endowment pursuant to distribution policy	(50,917)	-	(50,917)
Endowment net assets - End of year	$ 1,389,478	$ 14,914,237	$ 16,303,715

	Endowment Net Asset Composition by Type of Fund as of December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 1,259,246	$ -	$ 1,259,246
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	8,841,882	8,841,882
Accumulated investment gains	-	4,674,496	4,674,496
Total	$ 1,259,246	$ 13,516,378	$ 14,775,624

	Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	$ 1,186,897	$ 12,739,802	$ 13,926,699
Investment return - Net	123,148	1,321,839	1,444,987
Appropriation of endowment assets for expenditure	-	(545,263)	(545,263)
Other changes - Distribution from board-designated endowment pursuant to distribution policy	(50,799)	-	(50,799)
Endowment net assets - End of year	$ 1,259,246	$ 13,516,378	$ 14,775,624

Note 5 - Donor-restricted and Board-designated Endowments (Continued)

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period, as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are expected to outperform a custom benchmark (the "Allocation Index") consisting of the appropriate indices of each asset class and their proportional weighting in the portfolio. The Allocation Index is constructed by selecting appropriate indices (e.g., S&P 500, Russell 2000, MSCI EAFE, etc.) and assigning beginning of the quarter weighting by asset class. The total return of the invested assets is expected to exceed the total return of the Allocation Index. Actual returns in any given year may vary from this amount.

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 targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has an endowment distribution policy that determines a maximum spending rate of 4.5 percent applied to a rolling four-year average of the fair value of endowment investments. In establishing this policy, the Foundation considered the long-term expected rate of return on its endowment. Accordingly, the long-term goal is to achieve a rate of growth sufficient to meet the Foundation's spending needs while maintaining the inflation-adjusted principal of the endowment funds. If actual earnings for any year are less than the current year spending rule, the deficiency is drawn from prior years' amounts that have accumulated but not been spent.

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 SPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no underwater endowments as of December 31, 2025 and 2024.

Note 6 - Special Events

The Foundation holds one significant fundraising event - an annual dinner at which the Carl Sandburg Literary Award pays tribute to a writer whose work has helped enhance the public's awareness of the written word and reflects the Foundation's and the Chicago Public Library's commitment to the freedom of all people to read, learn, and discover. The following is a financial summary of that event:

	2025	2024
Contributions	$ 1,532,785	$ 1,006,036
Contributed nonfinancial assets	306,478	245,348
Less expenses, including costs of direct benefits to donors of $129,200 (2025) and $120,000 (2024)	(835,398)	(825,962)
Special event revenue - Net of expenses	$ 1,003,865	$ 425,422

Contributed nonfinancial assets consist of contributed goods and services by unrelated parties for the special event. The value of goods and services provided to the Foundation is determined based on the current rate for similar services.

Note 7 - Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized by the Foundation within the statement of activities and changes in net assets consisted of the goods totaling $110,032 and $81,098 for the years ended December 31, 2025 and 2024, respectively.

Contributed goods are recorded at their estimated fair value at the date of donation based on the stated prices used for the sale of these products in a nondonation transaction. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. These donated goods are recorded as contributed income and as an in-kind expense included in program expenses and fundraising expenses.

Contributed services are recorded if they create or enhance a nonfinancial asset or are specialized skills that would be purchased if they were not donated. Contributed services consist of services for programs. The value of services provided to the Foundation is determined based on the estimated fair value based on current rate for similar services. These donated services are recorded as contributed income and as an in-kind expense included in program expenses.

Note 8 - Leases

The Foundation was obligated under an operating lease for its office space, which expired on February 28, 2025. Effective March 1, 2025, the Foundation entered into a new operating lease primarily for its office space, expiring on February 28, 2030. The right-of-use asset and related lease liability have been calculated using a discount rate of 4.03 percent.

Future minimum annual commitments under this operating lease are as follows:

Year Ending December 31	Amount
2026	$ 107,103
2027	111,558
2028	115,085
2029	118,537
2030	19,853
Total	472,136
Less amount representing interest	38,998
Present value of net minimum lease payments	$ 433,138

Expenses recognized under these leases consist of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Operating lease cost	$ 109,591	$ 97,075
Other information:		
Operating cash flows from operating leases	$ 102,832	$ 99,339
Weighted-average remaining lease term - Operating leases (months)	50	2
Weighted-average discount rate - Operating leases	4.0 %	1.0 %

Note 9 - Retirement Plans

The Foundation established a 403(b) defined contribution plan covering all employees working 30 hours or more a week to which it makes discretionary contributions. Contributions to the plan for the years ended December 31, 2025 and 2024 were $107,086 and $102,435, respectively.

Note 10 - Liquidity and Availability of Resources

The following reflects the Foundation's financial assets as December 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

	2025	2024
Cash and cash equivalents	$ 1,288,122	$ 2,194,605
Accounts and interest/dividends receivable	90,148	55,523
Pledges receivable	724,230	223,924
Investments	40,110,306	36,371,412
Financial assets - At year end	42,212,806	38,845,464
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	2,422,038	2,816,873
Subject to appropriation and satisfaction of donor restrictions (less next year spending allocation)	5,443,559	4,077,080
Endowment funds	8,841,882	8,841,882
Board designations - Quasi-endowment fund, primarily for long-term investing	2,939,478	3,184,246
Financial assets available to meet cash needs for general expenditures within one year	$ 22,565,849	$ 19,925,383

It is the Foundation's practice to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. For 2025 and 2024, board-designated funds totaled approximately $3,000,000. Although the Foundation does not intend to spend from its board-designated investments other than amounts appropriated for general expenditures as part of its annual budget approval and appropriations process, amounts from its board-designated investments could be made available, if necessary. During 2025 and 2024, $375,000 and $725,000, respectively, of board-designated funds were used for general expenditures and are included within the statement of activities and changes in net assets.

Note 11 - Related Party Transactions

Contributions from board members were approximately $994,000 and $1,606,000 for the years ended December 31, 2025 and 2024, respectively. At December 31, 2025 and 2024, the Foundation had pledges receivable from board members of approximately $24,000 and $59,000, respectively.

Supplemental Information

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Independent Auditor's Report on Supplemental Information

To the Board of Directors
Chicago Public Library Foundation

We have audited the financial statements of Chicago Public Library Foundation as of and for the years ended December 31, 2025 and 2024 and have issued our report thereon dated June 17, 2026, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of changes in net assets with donor restrictions, purpose restrictions; schedule of changes in net assets with donor restrictions, perpetual in nature and net assets without donor restrictions designated by board; and allocation of 4.5% spending policy as designated by the board are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

June 17, 2026

Changes in Net Assets with Donor Restrictions, Purpose Restrictions

Year Ended December 31, 2025

	Balance January 1, 2025	Contributions and Pledges Received	Special Event Revenue	Net Assets Released From Restrictions	Balance December 31, 2025
Closing the Academic Opportunity Gap	$ 440,764	$ 710,119	$ -	$ 893,251	$ 257,632
Activating Connection & Creativity for All	1,719,851	227,576	-	530,885	1,416,542
Bridging the Digital Divide	67,026	280,000	-	160,000	187,026
Branch Programs	346,859	195,696	-	176,477	366,078
Other Library Programs	98,760	10,000	-	57,613	51,147
Frazin Innovation Fund	143,613	-	-	-	143,613
General Support	-	75,000	300,000	-	375,000
Totals	$ 2,816,873	$ 1,498,391	$ 300,000	$ 1,818,226	$ 2,797,038

Changes in Net Assets with Donor Restrictions, Perpetual in Nature and Net Assets without Donor Restrictions Designated by Board

Year Ended December 31, 2025

	Principal Balance at January 1, 2025	Contributions Received (Expended)	Principal Balance at December 31, 2025	Cumulative Available for Long-Term Investment *	Endowment Balance at December 31, 2025
Net Assets With Donor Restrictions					
Perpetual in Nature (Endowment)					
AON Corporation Fund	$ 30,000	$ -	$ 30,000	$ 20,963	$ 50,963
Arthur Andersen Fund I	37,500	-	37,500	26,203	63,703
Arthur Andersen Fund II	37,500	-	37,500	26,203	63,703
Blum-Kovler Foundation Fund	1,000,000	-	1,000,000	698,714	1,698,714
City of Chicago Humanities Fund	138,920	-	138,920	97,066	235,986
CPLF Gala 1998	208,000	-	208,000	145,333	353,333
CPLF Sandburg Awards Dinner 2000	202,000	-	202,000	141,140	343,140
Arie & Ida Crown Memorial Fund	250,000	-	250,000	174,679	424,679
Gaylord & Dorothy Donnelley Foundation	100,000	-	100,000	69,871	169,871
First National Bank of Chicago	80,000	-	80,000	55,897	135,897
Friends of the Chicago Public Library	219,397	-	219,397	153,296	372,693
Francia E. Harrington Fund	200,000	-	200,000	34,136	234,136
James S. Kemper Foundation Fund	75,000	-	75,000	52,404	127,404
Chauncey & Marion Deering McCormick Foundation	100,000	-	100,000	69,871	169,871
MacArthur Foundation Fund	1,250,000	-	1,250,000	873,392	2,123,392
NEH Challenge Grant	599,173	-	599,173	418,652	1,017,825
John Nuveen Fund	30,000	-	30,000	20,963	50,963
Albert Pick, Jr. Fund	750,000	-	750,000	524,037	1,274,037
Polk Bros. Foundation Fund	60,000	-	60,000	41,923	101,923
Prince Charitable Trusts Fund	150,000	-	150,000	104,807	254,807
Pritzker Foundation Fund I	1,000,000	-	1,000,000	698,716	1,698,716
Pritzker Foundation Fund II	1,000,000	-	1,000,000	698,715	1,698,715
Sagan/Hill Fund	20,000	-	20,000	13,974	33,974
Salomon Foundation Fund	50,000	-	50,000	34,936	84,936
Sears Family Literature Fund	150,000	-	150,000	104,807	254,807
WH Smith Fund	50,000	-	50,000	34,936	84,936
Stone Container Corporation Fund	30,000	-	30,000	20,963	50,963
United Airlines Fund	100,000	-	100,000	69,871	169,871
Madeline Block Willner Fund	50,000	-	50,000	34,936	84,936
Oprah Winfrey Fund	100,000	-	100,000	69,871	169,871
Laura Weber Bequest	774,392	-	774,392	541,080	1,315,472
Total net assets perpetual in nature	8,841,882	-	8,841,882	6,072,355	14,914,237
Net Assets Without Donor Restrictions					
Designated by the Board					
Friends of the Lincoln Park Branch Library	130,000	-	130,000	5,764	135,764
Gould Foundation	976,571	-	976,571	43,306	1,019,877
Jesse Jones Children's Charitable Remainder Trust	223,907	-	223,907	9,930	233,837
Total net assets designated by the Board	1,330,478	-	1,330,478	59,000	1,389,478
Total endowment funds	$ 10,172,360	$ -	$ 10,172,360	$ 6,131,355	$ 16,303,715

* Board policy is to designate for investment the cumulative excess of actual investment income earned over the 4.5% spending rate in order to preserve the value of the endowment funds.

Allocation of 4.5% Spending Policy as Designated by the Board

Year Ended December 31, 2025

	General	For Books and/or Programs	Total Expendable
Net Assets With Donor Restrictions			
(Endowment Restricted in Perpetuity)			
AON Corporation Fund	$ -	$ 1,868	$ 1,868
Arthur Andersen Fund I	-	2,334	2,334
Arthur Andersen Fund II	-	2,334	2,334
Blum-Kovler Foundation Fund	-	62,249	62,249
City of Chicago Humanities Fund	-	8,648	8,648
CPLF Gala 1998	-	12,948	12,948
CPLF Sandburg Awards Dinner 2000	7,544	5,030	12,574
Arie & Ida Crown Memorial Fund	-	15,562	15,562
Gaylord & Dorothy Donnelley Foundation	-	6,225	6,225
First National Bank of Chicago	-	4,980	4,980
Friends of the Library	-	13,657	13,657
Francia Harrington Fund	-	8,580	8,580
James S. Kemper Foundation Fund	-	4,669	4,669
Chauncey & Marion Deering McCormick Foundation Fund	-	6,225	6,225
MacArthur Foundation Fund	77,811	-	77,812
NEH Challenge Grant	-	37,298	37,298
John Nuveen Fund	-	1,868	1,868
Albert Pick, Jr. Fund	-	46,687	46,687
Polk Bros. Foundation Fund	-	3,735	3,735
Prince Charitable Trusts Fund	-	9,337	9,337
Pritzker Foundation Fund I	62,249	-	62,249
Pritzker Foundation Fund II	62,249	-	62,249
Sagan/Hill Fund	1,245	-	1,245
Salomon Foundation Fund	-	3,112	3,112
Sears Family Literature Fund	-	9,337	9,337
WH Smith Fund	-	3,112	3,112
Stone Container Corporation Fund	-	1,868	1,868
United Airlines Fund	-	6,225	6,225
Madeline Block Willner Fund	-	3,112	3,112
Oprah Winfrey Fund	-	6,225	6,225
Laura Weber Bequest	-	48,205	48,205
	211,098	335,430	546,529
Board-Designated Net Assets Without Donor Restriction			
Friends of Lincoln Park Branch Library	-	$ 4,975	$ 4,975
Gould Foundation	-	37,373	37,373
Jesse O. Jones Children's Charitable Remainder Trust	-	8,569	8,569
	-	50,917	50,917
Total endowment income expendable	$ 211,098	$ 386,347	$ 597,446
Undesignated Net Assets Expendable			$ 874,096
Total Allocation of Net Assets Expendable			$ 1,471,542