

DNS-OARC

Domain Name System Operations Analysis and Research Center

OARC, INC.

REVIEWED FINANCIAL STATEMENTS

For the Years Ended

December 31, 2025 and 2024

With Independent Accountants' Report Thereon

DNS-OARC

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OARC, INC.

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Independent Certified Public Accountants Review Report

The Board of Directors
OARC, Inc.

We have reviewed the accompanying financial statements of OARC Inc., which comprise statements of financial position as of December 31, 2025, and the related statements of activities and changes in net assets, functional expenses, and cashflows for the year ended December 31, 2025. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

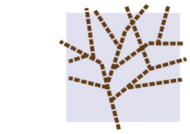
Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of OARC Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements and disclosures in order for them to be in accordance with accounting principles generally accepted in the United States of America.





PORTSMOUTH, NEW HAMPSHIRE
May 13, 2026

DNS-OARC

Statements of Financial Position
December 31, 2025 and 2024

Assets

	2025	2024
Current assets:		
Cash and cash equivalents	412,708	359,483
Accounts Receivables	44,390	76,600
Prepaid expenses and other current assets	5,355	1,265
Total current assets	462,453	437,348
Property and equipment, net	28,483	35,006
Internally developed software, net	27,878	-
Total Assets	**$ 518,814**	**$ 472,354**

Liabilities and Net Assets

Current liabilities:		
Accounts payable and other accruals	67,030	30,148
Deferred Revenue	3,000	6,000
Total current liabilities	70,030	36,148
Net Assets:		
Without donor restrictions	423,784	436,206
With donor restrictions	25,000	-
Total net assets	448,784	436,206
Total for Liabilities and Net Assets	**$ 518,814**	**$ 472,354**

DNS-OARC

Statements of Activities and Changes in Net Assets
Years Ended December 31, 2025 and 2024

	2025	2024
Changes in net assets without donor restrictions:		
Revenue and support:		
Membership	762,485	746,969
Registration	133,865	84,435
Donation, sponsorships, and grants	51,599	114,706
Net assets released from restriction	-	63,000
Other Income	3,000	375,782
Total revenue and support	950,949	1,384,892
Operating expenses:		
Program	634,636	832,268
General and administrative	328,735	346,542
Fundraising	-	-
Total operating expenses	963,371	1,178,810
Increase (Decrease) in net assets without donor restrictions	**(12,422)**	**206,082**
Changes in net assets with donor restrictions:		
Grants and contributions	25,000	-
Net assets released from restrictions	-	(63,000)
Increase (Decrease) in net assets with donor restrictions	25,000	(63,000)
Increase (Decrease) in net assets	12,578	143,082
Net assets at beginning of year	436,206	293,124
Net assets at end of year	**$ 448,784**	**$ 436,206**

DNS-OARC

Statement of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Operating activities:		
Increase (Decrease) in net assets	12,578	$ 143,082
Adjustments to reconcile to cash used for operating activities		
Depreciation and amortization	31,647	40,104
Changes in:		
Accounts receivable	32,210	84,820
Prepaid expenses and other current assets	(4,090)	20,659
Accounts payable and other accruals	36,881	(57,155)
Deferred revenue	(3,000)	(362,581)
Cash used for operating activities	106,226	(131,071)
Investing activities:		
Acquisition of property and equipment	(19,547)	(13,831)
Capitalized software development costs	(33,454)	-
Cash used for investing activities	(53,001)	(13,831)
Increase (Decrease) in cash and cash equivalents	53,225	(144,902)
Cash and cash equivalents at beginning of year	359,483	504,385
Cash and cash equivalents at end of year	**$ 412,708**	**$ 359,483**

DNS-OARC

Statements of Functional Expenses
Years Ended December 31, 2025

	Programs	General & Administrative	Fund Raising	2025 Totals
Bank charges and other fees	$ -	$ 3,660	$ -	**$ 3,660**
Conferences and meetings	203,763	-	-	**203,763**
Connectivity	44,985	-	-	**44,985**
Depreciation and amortization	31,647	-	-	**31,647**
Office and other	-	25,666	-	**25,666**
Postage and shipping	53	-	-	**53**
Professional and consulting	320,356	282,590	-	**602,946**
Occupancy	-	11,915	-	**11,915**
Telephone and telecommunicatoins	-	1,145	-	**1,145**
Travel and related expenses	33,832	3,759	-	**37,591**
Totals	$ 634,636	$ 328,735	$ -	**$ 963,371**

DNS-OARC

Statements of Functional Expenses
Years Ended December 31, 2024

	Programs	General & Administrative	Fund Raising	2024 Totals
Bank charges and other fees	$ -	$ 3,159	$ -	**$ 3,159**
Conferences and meetings	171,385	-	-	**171,385**
Connectivity	53,260	-	-	**53,260**
Depreciation and amortization	40,104	-	-	**40,104**
Office and other	-	32,952	-	**32,952**
Postage and shipping	1,294	-	-	**1,294**
Professional and consulting	505,715	291,236	-	**796,951**
Occupancy	-	11,280	-	**11,280**
Telephone and telecommunicatoins	-	1,192	-	**1,192**
Travel and related expenses	60,510	6,723	-	**67,233**
Totals	$ 832,268	$ 346,542	$ -	**$ 1,178,810**



1. Organization

OARC, Inc. (OARC) is a 501(c)(3) nonprofit public benefit corporation incorporated in the state of Delaware, with an office in Indiana. OARC was conceived in 2004 and then incorporated in late 2008 as part of a joint research proposal with CAIDA to the National Science Foundation. OARC was conceived as a membership organization where DNS operators, network researchers, software implementers, and others could participate to share data, common problems, and solutions in a trusted environment.

OARC provides a platform for DNS operators to exchange real-time information in the event of incidents affecting the availability of DNS service operated by members and non-members alike. OARC's mission is to build trust among its members through forums where information can be shared in confidence; to enable knowledge transfer by organizing semiannual workshops; to promote research through data collection, analysis, and simulation; and to increase awareness with publicly available tools and services.

2. Summary of Significant Accounting Policies

Basis of Presentation – The financial statements of OARC have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("US GAAP").

Measure of Operations – The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to OARC's ongoing operations which include a variety of programmatic activities. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and Cash Equivalents – OARC's cash consists of cash on deposit with banks. Cash equivalents, when applicable, represent savings, cash deposits and money market accounts with maturity dates of three months or less from the date of inception.

Concentrations of Credit Risk – Financial instruments that potentially subject OARC to concentrations of credit risk consist principally of cash and cash equivalents and deposits. OARC maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. OARC manages deposit concentration risk by placing cash and money market accounts with financial institutions believed to be creditworthy. To date, OARC has not experienced losses in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from reputable organizations and foundations supportive of OARC's mission.

2. Summary of Significant Accounting Policies (continued)

Accounts Receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization, if applicable, is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met. OARC determined that no allowance for doubtful uncollectible accounts receivable is needed based on historical experience, an assessment of economic conditions, and a review of subsequent collections. It is the policy of the organization to periodically assess receivables to determine proper carrying value.

Property and Equipment – OARC's policy is to record acquisitions of property and equipment at cost or, if donated, at fair market value on the date of donation. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets. When assets are sold or otherwise disposed, the cost and related depreciation or amortization are removed from the accounts and any resulting gain or loss is included in the statements of activities and changes in net assets.

Costs of maintenance and repairs are expensed as incurred. OARC reviews the carrying values of all assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated economic utility and/or future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. OARC has determined that no long-lived assets were impaired during the years ended December 31, 2025 and 2024.

Software Development Costs – OARC accounts for software development costs for software to marketed in accordance with ASC 985-20. Costs incurred in the preliminary stages of development, including research and development activities before technological feasibility is established, are expensed as incurred. Once technological feasibility is established, software production costs are capitalized until the software is available for general release to customers. Capitalized software development costs are amortized when the product is available for general release. Amortization is recorded using the straight-line method over the remaining estimated economic life of the product.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions.

The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). OARC groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

2. Summary of Significant Accounting Policies (continued)

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

Level 2 : Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

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

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing model of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

Net Assets - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Thus, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions

Net assets without donor restrictions represent funds available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has the ability to designate, from net assets without donor restrictions, net assets for an operating reserve or for other board-designated endowment purposes, but has not opted to do so as of December 31, 2025 and 2024.

Net Assets with Donor Restrictions

Net assets with donor restrictions represent funds which are subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions can be perpetual in nature, where the donor stipulates that such resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.



2. Summary of Significant Accounting Policies (continued)

Income Taxes – OARC is organized as a Delaware nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively. OARC is required to annually file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. OARC is not required to file an Exempt Organization Business Income Tax Return (Form 990-T) because it had no unrelated business taxable income for the years ended December 31, 2025 and 2024.

OARC has received notification from the Internal Revenue Service and the State of Indiana that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 6-3-2-2.8 of the Indiana Revenue and Taxation Code. The exemptions are subject to periodic review by the federal and state taxing authorities and management is confident that OARC continues to satisfy all federal and state statutes in order to qualify for continued tax exemption status.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

Revenue and Revenue Recognition – Revenue is recognized in accordance with authoritative guidance, including *ASU 2018-08, Not-for-Profit Entities (Topic 605)* and *ASU 2014-09, Revenue from Contracts with Customers (Topic 606)*.

During the year ended December 31, 2024, management reassessed the terms of certain membership contracts that had previously been recognized as revenue over time under ASC 606, *Revenue from Contracts with Customers*. Based on this reassessment, management concluded that these arrangements provide members with the right to participate in DNS-OARC activities and receive general membership benefits, rather than the delivery of distinct goods or services over the membership term. Because the contracts do not include distinct performance obligations and the membership term is limited to one year, revenue is recognized at a point in time, upon the commencement of the membership period. Management determined that this application of the revenue recognition guidance is consistent with ASC 606 and does not constitute a change in accounting principle under ASC 250, *Accounting Changes and Error Corrections*.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. A transfer of funds with a conditional promise to contribute is accounted for as a refundable advance until the conditions have been substantially met.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.



2. Summary of Significant Accounting Policies (continued)

Contributions of Nonfinancial Assets – Contributed services and costs are reflected at the fair value of the contribution received in accordance with *ASU No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The contributions of services and costs are recognized if they (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

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

Functional Allocation of Expenses – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and changes in net assets in accordance with *ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, which requires OARC to report expenses by their natural classification. Every natural expense must be broken out into individual functional categories on an analysis of expenses by their nature and function. Accordingly, certain costs have been allocated among services and supporting services benefited. Such allocations are determined by management on an equitable basis. A majority of expenses (such as professional and consulting, occupancy, and other overhead) have been allocated based on time and effort. Other direct costs have been allocated in accordance with the specific services received from vendors.

Recent and Relevant Accounting Pronouncements – The following pronouncements represent relevant current accounting guidance applicable to nonprofit organizations:

ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return.

ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606) establishes the principles to report useful information to users of financial statements about the nature, timing, and uncertainty of revenue from contracts with customers. The guidance (1) removes inconsistencies and weaknesses in existing revenue requirements, (2) provides a more robust framework for addressing revenue issues, (3) improves comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets, (4) provides more useful information to users of financial statements through improved disclosure requirements, and (5) simplifies the preparation of financial statements by reducing the number of requirements to which an organization must refer.

ASU 2014-15, Presentation of Financial Statements – Going Concern (Subtopic 205-40) Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern requires an organization's management to evaluate whether there are conditions and events, considered in the aggregate, that raise substantial doubt about an entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued, when applicable). As of May 13, 2026 (the date of the Independent Auditors' Report), management has made this evaluation and has determined that OARC has the ability to continue as a going concern.

2. Summary of Significant Accounting Policies (continued)

ASU 2018-08, Not-for-Profit Entities (Topic 605) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made was issued to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this Update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of *Topic 958, Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional.

ASU 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets increases transparency around contributed nonfinancial assets (also known as "gifts-in-kind") received by not-for-profit organizations, including transparency on how those assets are used and how they are valued. The update requires that an organization present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The update also requires certain enhanced disclosures for contributed nonfinancial assets.

3. Cash and Cash Equivalents

Cash and cash equivalents of $412,708 and $359,483 at December 31, 2025 and 2024, respectively, consist of funds on deposit in noninterest-bearing checking accounts. OARC maintains its cash balances in highly capitalized financial institutions, which at times may exceed federally insured limits. OARC attempts to limit its credit risk associated with cash balances by utilizing financial institutions which are highly rated.

4. Accounts Receivable

Accounts receivable of $44,390 and $76,600 as of December 31, 2025 and 2024, respectively, are due within one year from various third parties. OARC uses the direct write-off method for receivables deemed uncollectible. There was no bad debt expense recognized during the year ended December 31, 2025 and 2024. Management believes that all receivables are fully collectible based on the financial strength of the parties involved and therefore no provision for estimated losses has been established as of December 31, 2025 and 2024.

5. Property and Equipment

Property and equipment consist of the following at December 31:

	2025	2024
Computers and related equipment	**$ 491,243**	$ 471,695
Less accumulated depreciation	**(462,760)**	(436,689)
Total property and equipment, net	**$ 28,483**	$ 35,006

5. Property and Equipment (continued)

Total depreciation expense for the years ended December 31, 2025 and 2024 amounted to $26,071 and $40,104, respectively.

6. Software Development Costs

OARC Inc. develops software designed to serve the public good as part of its public-benefit mission. The Company markets the software externally for broad public use, distributing it free of charge while retaining copyright ownership and granting users a non-exclusive license to use the software. The availability and quality of the software help attract support and external funding, thereby indirectly contributing to the organization's revenue.

During the year ended December 31, 2025, the Company capitalized $33,454 of software development costs related to product enhancements and recorded amortization expense of $5,576. The net carrying amount of capitalized software was $27,878, included within other assets in the balance sheet. Capitalized software is amortized on a straight-line basis over its estimated useful life of 3 years, beginning when the product is available for general release.

The Company periodically evaluates capitalized software for impairment in accordance with ASC 360-10, Property, Plant, and Equipment, when events or changes in circumstances indicate that the carrying amount may not be recoverable. No impairment losses were recognized during the current period.

7. Liquidity

OARC regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the safeguarding of its available funds. OARC has various sources of liquidity at its disposal, including cash and equivalents and the future collection of receivables. For purposes of analyzing resources available to meet general expenditures over a 12-month period, OARC considers all expenditures related to its ongoing member support and related activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, OARC operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of OARC's cash.

As part of OARC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. OARC's goal is generally to maintain financial assets to meet eight to twelve months of operating expenses.

8. Membership Fees and Deferred Revenue

During the year ended December 31, 2024, management reassessed the terms of certain membership contracts that had previously been recognized as revenue over time under ASC 606, *Revenue from Contracts with Customers*. Based on this reassessment, management concluded that these arrangements provide members with the right to participate in DNS-OARC activities and receive general membership benefits, rather than the delivery of distinct goods or services over the membership term. Because the contracts do not include distinct performance obligations and the membership term is limited to one year, revenue is recognized at a point in time, upon the commencement of the membership period. Management determined that this application of the revenue recognition guidance is consistent with ASC 606 and does not constitute a change in accounting principle under ASC 250, *Accounting Changes and Error Corrections*.

As a result of this reassessment, the timing of revenue recognition for the affected membership contracts was accelerated. The cumulative effect of the change increased revenue recognized during 2024 by $368,582. This amount is presented as other income in the statement of activities and changes in net assets.

Deferred revenue of $3,000 as of December 31, 2025 consists of a three year hosting agreement received in advance of the service period and is scheduled to be recognized over the following year. Such amounts have been reflected as short-term liabilities on the statements of financial position and will be reflected as revenue on the statements of activities and changes in net assets over the related service period.

9. Occupancy

OARC leases office space under a one-year operating agreement. Occupancy expense for the years ended December 31, 2025 and 2024 amounted to $11,915 and $11,280, respectively, and is reflected on the statements of functional expenses.

10. Net Assets

Net Assets without Donor Restrictions

Net assets without donor restrictions of $423,784 and $436,206 at December 31, 2025 and 2024, respectively, represent the cumulative net surpluses of OARC since its inception.

Net Assets with Donor Restrictions

OARC recognizes support from net assets with donor restrictions when the restrictions imposed by the donors have been satisfied or expired. Net assets with donor restrictions consist of contributions restricted by donors for use in future expenses. Net assets with donor restrictions consist of the following at December 31:

	2025		2024
Project based restrictions	**25,000**	$	-
Time based restrictions - sponsorship	**-**		-
Total net assets with donor restrictions	**25,000**	$	-

11. Related Party Transactions

Certain members of the Board of Directors serve as staff or executives in OARC's member organizations. OARC received membership fees totaling approximately $63,450 from these organizations during each of the years ended December 31, 2025 and 2024, respectively.

12. Commitments and Contingencies

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into and/or renew contracts related to ongoing operational activities, which might not be fully reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) grant restrictions and donor conditions which obligate OARC to fulfill certain requirements as set forth in grant instruments, (b) membership levels which vary based on factors beyond OARC's control, such as generosity of donors and general economic conditions, (c) employment and service agreements with key management personnel, including executive officers of the organization, and (d) financial risks associated with funds on deposit in accounts at financial institutions. Certain of the grants and contracts (including current and prior costs) are subject to adjustment upon review and final acceptance by the granting agencies. Management believes that such commitments, contingencies, and risks will not have a material adverse effect on the financial statements.

OARC regularly signs contracts with hotels and event facilities for future events. As of December 31, 2025, OARC has non-cancelable commitments totaling $34,409 for facility services in connection with meetings to be held in future periods.

13. Subsequent Events

In compliance with *ASC 855, Subsequent Events*, OARC has evaluated subsequent events through May 13, 2026, the date the financial statements were available to be issued and, in the opinion of management, there are no subsequent events which necessitate disclosure.