

2025

December 31, 2025 and 2024

Financial Statements & Independent Auditor's Report

UNITED IS THE WAY

Together, we can help young people realize
their full potential.



UNITED WAY

Benton &
Franklin Counties

**UNITED WAY OF BENTON & FRANKLIN COUNTIES
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YEARS ENDED DECEMBER 31, 2025 AND 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Way of Benton & Franklin Counties
Kennewick, Washington

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Way of Benton & Franklin Counties (a nonprofit organization), which comprise the statements 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 United Way of Benton & Franklin Counties as of December 31, 2025 and 2024, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Benton & Franklin Counties 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.

2024 Financial Statements Restated

As discussed in Note 14 to the financial statements, the 2024 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

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 United Way of Benton & Franklin Counties's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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 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 United Way of Benton & Franklin Counties'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 United Way of Benton & Franklin Counties'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.



CliftonLarsonAllen LLP

Tri-Cities, Washington
June 24, 2026

UNITED WAY OF BENTON & FRANKLIN COUNTIES
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 817,910	\$ 1,184,932
Campaign Pledges Receivable, Net	442,547	444,037
Prepaid Expenses	26,735	31,613
Grants Receivable	56,502	63,264
Other Assets	<u>29,567</u>	<u>34,765</u>
Total Current Assets	1,373,261	1,758,611
NONCURRENT ASSETS		
Land, Building, and Equipment, Net	194,925	212,452
Cash Value of Life Insurance	374,481	357,515
Investments	<u>3,994,187</u>	<u>3,526,036</u>
Total Noncurrent Assets	<u>4,563,593</u>	<u>4,096,003</u>
Total Assets	<u><u>\$ 5,936,854</u></u>	<u><u>\$ 5,854,614</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Other Accrued Liabilities	\$ 130,860	\$ 209,441
Community Funding Payable	41,970	76,500
Donor Designations Payable	<u>293,433</u>	<u>360,747</u>
Total Liabilities	466,263	646,688
NET ASSETS		
Without Donor Restrictions	4,148,644	4,078,461
With Donor Restrictions	<u>1,321,947</u>	<u>1,129,465</u>
Total Net Assets	<u>5,470,591</u>	<u>5,207,926</u>
Total Liabilities and Net Assets	<u><u>\$ 5,936,854</u></u>	<u><u>\$ 5,854,614</u></u>

See accompanying Notes to Financial Statements.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Campaign Revenue:			
Gross Campaign Results	\$ -	\$ 1,210,026	\$ 1,210,026
Less: Donor Designations	-	(293,374)	(293,374)
Less: Provision for Uncollectible	-	(57,009)	(57,009)
Net Campaign Revenue	-	859,643	859,643
Other Revenue:			
Administrative Fees	34,824	-	34,824
Other Contributions and Grants	234,697	51,103	285,800
Investment Income, Net	377,054	116,473	493,527
In-Kind Contributions	100,761	-	100,761
Miscellaneous Income	12,051	-	12,051
Total Other Revenue	759,387	167,576	926,963
Gross Special Events Revenue:			
Ticket Sales and Auction	192,303	-	192,303
In-Kind Contributions	45,076	-	45,076
Less: Cost of Direct Benefits to Donors	(20,673)	-	(20,673)
Net Special Events Revenue	216,706	-	216,706
Net Assets Released from Restrictions	834,737	(834,737)	-
Total Public Support and Revenue	1,810,830	192,482	2,003,312
EXPENSES			
Program Services:			
Community Funding Services	152,813	-	152,813
Community Impact	316,949	-	316,949
Youth & Childhood Success	525,475	-	525,475
Total Program Services	995,237	-	995,237
Supporting Services:			
Management and General	374,377	-	374,377
Fundraising	371,033	-	371,033
Total Supporting Services	745,410	-	745,410
Total Expenses	1,740,647	-	1,740,647
CHANGE IN NET ASSETS	70,183	192,482	262,665
Net Assets - Beginning of Year	4,078,461	1,129,465	5,207,926
NET ASSETS - END OF YEAR	<u>\$ 4,148,644</u>	<u>\$ 1,321,947</u>	<u>\$ 5,470,591</u>

See accompanying Notes to Financial Statements.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024

		Restated	
	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Campaign Revenue:			
Gross Campaign Results	\$ -	\$ 1,151,299	\$ 1,151,299
Less: Donor Designations	-	(330,277)	(330,277)
Less: Provision for Uncollectible	-	(54,676)	(54,676)
Net Campaign Revenue	-	766,346	766,346
Other Revenue:			
Administrative Fees	33,754	-	33,754
Other Contributions and Grants	445,762	-	445,762
Investment Income, Net	256,964	86,640	343,604
In-Kind Contributions	110,983	-	110,983
Miscellaneous Income	2,549	-	2,549
Total Other Revenue	850,012	86,640	936,652
Gross Special Events Revenue:			
Ticket Sales and Auction	171,188	-	171,188
In-Kind Contributions	45,842	-	45,842
Less: Cost of Direct Benefits to Donors	(20,745)	-	(20,745)
Net Special Events Revenue	196,285	-	196,285
Net Assets Released from Restrictions	851,780	(851,780)	-
Total Public Support and Revenue	1,898,077	1,206	1,899,283
EXPENSES			
Program Services:			
Community Funding Services	239,881	-	239,881
Community Impact	322,887	-	322,887
Youth & Childhood Success	747,027	-	747,027
Total Program Services	1,309,795	-	1,309,795
Supporting Services:			-
Management and General	413,138	-	413,138
Fundraising	411,785	-	411,785
Total Supporting Services	824,923	-	824,923
Total Expenses	2,134,718	-	2,134,718
CHANGE IN NET ASSETS	(236,641)	1,206	(235,435)
Net Assets - Beginning of Year	4,315,102	1,128,259	5,443,361
NET ASSETS - END OF YEAR	<u>\$ 4,078,461</u>	<u>\$ 1,129,465</u>	<u>\$ 5,207,926</u>

See accompanying Notes to Financial Statements.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services				Support Services			
	Community Funding Services	Community Impact	Youth & Childhood Success	Total Program Services	Management and General	Fundraising	Cost of Direct Benefit to Donors	Total Expenses
CASH EXPENSES								
Community Funds Awarded	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Salaries, Taxes, and Benefits:								
Salaries	30,737	182,457	290,204	503,398	213,839	184,239	-	901,476
Employment Taxes and Benefits	8,744	51,903	46,985	107,632	60,831	50,405	-	218,868
Total Salaries, Taxes and Benefits	39,481	234,360	337,189	611,030	274,670	234,644	-	1,120,344
Other Expenses:								
Occupancy	742	7,940	-	8,682	1,392	11,026	20,673	41,773
Communication	364	2,162	1,300	3,826	2,533	2,261	-	8,620
Insurance	525	3,115	1,874	5,514	3,651	2,973	-	12,138
Dues and Subscriptions	259	1,538	943	2,740	5,672	5,544	-	13,956
Marketing and Advertising	77	558	275	910	536	437	-	1,883
Printing and Supplies	3,650	5,073	79,386	88,109	5,101	20,510	-	113,720
Postage	49	478	176	703	501	2,816	-	4,020
Conferences and Transportation	93	3,052	4,686	7,831	639	2,513	-	10,983
Professional Fees	3,575	21,222	12,764	37,561	51,121	26,757	-	115,439
Repairs and Maintenance	693	7,001	313	8,007	1,747	1,936	-	11,690
Payments to Affiliates	808	4,795	2,884	8,487	5,620	4,577	-	18,684
Miscellaneous Expenses	187	1,095	1,185	2,467	100	4,000	-	6,567
Total Other Expenses	11,022	58,029	105,786	174,837	78,613	85,350	20,673	359,473
Total Cash Expenses	150,503	292,389	442,975	885,867	353,283	319,994	20,673	1,579,817
NONCASH EXPENSES								
Marketing and Advertising	-	-	7,800	7,800	-	-	-	7,800
Printing and Supplies	-	-	74,589	74,589	-	427	-	75,016
Professional Fees	-	-	-	-	16,310	-	-	16,310
Repairs and Maintenance	43	455	-	498	80	101	-	679
Special Events	31	180	111	322	-	45,711	-	46,033
Total Noncash Expenses	74	635	82,500	83,209	16,390	46,239	-	145,838
Total Expenses Before Depreciation	150,577	293,024	525,475	969,076	369,673	366,233	20,673	1,725,655
DEPRECIATION	2,236	23,925	-	26,161	4,704	4,800	-	35,665
Total Expenses by Function	152,813	316,949	525,475	995,237	374,377	371,033	20,673	1,761,320
Less: Expenses Included with Revenues on the Statement of Activities:								
Cost of Direct Benefits to Donors	-	-	-	-	-	-	(20,673)	(20,673)
Total Expenses Included in the Expense Section on the Statement of Activities	\$ 152,813	\$ 316,949	\$ 525,475	\$ 995,237	\$ 374,377	\$ 371,033	\$ -	\$ 1,740,647

See accompanying Notes to Financial Statements.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services				Support Services			Total Expenses
	Community Funding Services	Community Impact	Youth & Childhood Success	Total Program Services	Management and General	Fundraising	Cost of Direct Benefit to Donors	
CASH EXPENSES								
Community Funds Awarded	\$ 202,300	\$ -	\$ -	\$ 202,300	\$ -	\$ -	\$ -	\$ 202,300
Salaries, Taxes, and Benefits:								
Salaries	16,875	187,670	444,413	648,958	238,353	207,053	-	1,094,364
Employment Taxes and Benefits	4,825	47,859	77,884	130,568	68,151	56,375	-	255,094
Total Salaries, Taxes and Benefits	21,700	235,529	522,297	779,526	306,504	263,428	-	1,349,458
Other Expenses:								
Occupancy	819	7,136	581	8,536	1,180	18,041	20,745	48,502
Communication	214	2,375	1,603	4,192	3,016	2,564	-	9,772
Insurance	248	2,763	1,865	4,876	3,509	2,840	-	11,225
Dues and Subscriptions	134	1,488	1,008	2,630	5,063	7,108	-	14,801
Marketing and Advertising	38	510	1,352	1,900	535	783	-	3,218
Printing and Supplies	7,835	8,456	95,068	111,359	9,763	16,047	-	137,169
Postage	75	798	546	1,419	1,633	1,537	-	4,589
Conferences and Transportation	71	1,439	7,229	8,739	1,608	2,162	-	12,509
Professional Fees	1,760	19,588	14,560	35,908	53,757	34,432	-	124,097
Repairs and Maintenance	890	7,823	829	9,542	1,650	1,965	-	13,157
Payments to Affiliates	328	3,646	2,462	6,436	4,631	3,748	-	14,815
Miscellaneous Expenses	372	4,153	4,089	8,614	166	4,053	-	12,833
Total Other Expenses	12,784	60,175	131,192	204,151	86,511	95,280	20,745	406,687
Total Cash Expenses	236,784	295,704	653,489	1,185,977	393,015	358,708	20,745	1,958,445
NONCASH EXPENSES								
Marketing and Advertising	-	-	13,678	13,678	-	-	-	13,678
Printing and Supplies	19	216	77,213	77,448	33	939	-	78,420
Professional Fees	-	-	-	-	15,755	-	-	15,755
Repairs and Maintenance	89	772	63	924	128	168	-	1,220
Special Events	67	747	510	1,324	-	46,428	-	47,752
Total Noncash Expenses	175	1,735	91,464	93,374	15,916	47,535	-	156,825
Total Expenses Before Depreciation	236,959	297,439	744,953	1,279,351	408,931	406,243	20,745	2,115,270
DEPRECIATION	2,922	25,448	2,074	30,444	4,207	5,542	-	40,193
Total Expenses by Function	239,881	322,887	747,027	1,309,795	413,138	411,785	20,745	2,155,463
Less: Expenses Included with Revenues on the Statement of Activities:								
Cost of Direct Benefits to Donors	-	-	-	-	-	-	(20,745)	(20,745)
Total Expenses Included in the Expense Section on the Statement of Activities	\$ 239,881	\$ 322,887	\$ 747,027	\$ 1,309,795	\$ 413,138	\$ 411,785	\$ -	\$ 2,134,718

See accompanying Notes to Financial Statements.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 262,665	\$ (235,435)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used by Operating Activities:		
Depreciation	35,665	40,193
Unrealized Gain on Investments	(366,819)	(181,184)
Realized (Gain) Loss on Investments	8,915	(10,781)
Credit Loss Expense	57,009	54,676
Net Increase in Cash Value of Life Insurance	(16,966)	(27,780)
Changes in Operating Assets and Liabilities:		
Campaign Pledges Receivable	(55,519)	82,290
Prepaid Expenses	4,878	8,901
Grants Receivable	6,762	1,467
Other Assets	5,198	(4,807)
Accounts Payable and Other Accrued Liabilities	(78,581)	40,703
Community Funding Payable	(34,530)	(88,500)
Donor Designations Payable	(67,314)	(95,191)
Net Cash Used by Operating Activities	<u>(238,637)</u>	<u>(415,448)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	723,748	411,851
Purchase of Investments	(833,995)	(30,524)
Purchases of Property and Equipment	(18,138)	-
Net Cash Provided (Used) by Investing Activities	<u>(128,385)</u>	<u>381,327</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(367,022)	(34,121)
Cash and Cash Equivalents - Beginning of Year	<u>1,184,932</u>	<u>1,219,053</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 817,910</u></u>	<u><u>\$ 1,184,932</u></u>

See accompanying Notes to Financial Statements.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 ORGANIZATION

United Way of Benton & Franklin Counties (United Way or the Organization) collaborates to support a foundation for the well-being, safety, and academic success of children, from birth through middle school. Since 1958, the Organization's partnerships with donors, nonprofit organizations, businesses, and volunteers have continued to build a stronger community. Following is a snapshot of the Organization's impact in 2025:

Through grants to nonprofits, 11,063 local children (unaudited) and their parents/caregivers received services including:

- 7,216 children and their families accessed food, shelter, diapers, and basic needs.
- 3,270 children received support for health, wellness, and academic success.
- 577 parents/caregivers were provided with training and support.

The Organization's Attendance Matters® mentoring program provided 1,255 middle and elementary school students with support (unaudited) and 357 students with mentoring (unaudited). The program connects chronically absent students with trained adult mentors to help improve their attendance, attitudes toward schools, and future success. The Organization relaunched their Attendance Matters® Toolkit in November 2025 to help parents, schools, and community organizations promote attendance. Toolkit items posted on the website have been downloaded over 600 times in two months.

Free books were mailed to the homes of 6,461 local children (ages birth through five) (unaudited) each month through the Organization's partnership with the Dolly Parton Imagination Library. To increase early literacy and kindergarten readiness rates, the Organization raises funds to support five years of monthly books for each local infant who is enrolled.

United Way Annual Campaign

United Way solicits donations and campaign pledges from businesses and individuals living or working within Benton and Franklin Counties, Washington. The annual fundraising campaign is United Way's principal source of revenue and can be affected by economic conditions. A decrease in contributions could affect the Organization's ability to provide services to the community.

185+ nonprofit organizations received gifts designated to them by local donors. As a service to donors, the Organization provides the safe and convenient "Donor Choice Program." The Organization ensures each agency designated to receive funds, is in good standing with the IRS and complies with the USA Patriot Act.

Grants and Contracts

Serve Washington Grants – United Way received \$180,430 and \$349,432 in 2025 and 2024, respectively in Serve Washington grants to support the *Attendance Matters®* mentoring program. These funds enable the Organization to recruit, train, equip, and supervise AmeriCorps members who manage the Organization's mentoring programs to increase school attendance among chronically absent middle schoolers in six local school districts.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of United Way of Benton & Franklin Counties have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Financial Statement Presentation

United Way of Benton & Franklin Counties reports information regarding its financial position and activities to two classes of net assets, with donor restrictions and without donor restrictions.

Net Assets Without Donor Restrictions – Net assets presently available for use by United Way of Benton & Franklin Counties at the discretion of management and the Board of Directors.

Net Assets With Donor Restrictions – Net assets subject to donor restrictions that will be satisfied either by the passage of time or by actions of United Way of Benton & Franklin Counties. Some donor 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

United Way recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions upon which they depend have been met. A portion of United Way's revenue is derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the occurrence of allowable qualifying expenses. Amounts received are recognized as revenue when United Way has incurred expenditures in compliance with specific contract or grant provisions. We received cost-reimbursable grants of \$-0- and \$190,542 that have not been recognized at December 31, 2025 and 2024 because qualifying expenditures have not yet been incurred. No amounts have been received in advance under our federal and state contracts and grants.

United Way recognizes revenue from administrative fees when the services are provided. The performance obligation of delivering this service is simultaneously received and consumed, therefore, the revenue is recognized over time.

United Way records fundraising income equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as Net Assets Released from Restrictions. Donor-restricted contributions, whose restrictions are met in the same reporting period, are reported as without donor restrictions.

Gifts of goods, services, or equipment are reported as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, United Way reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Total contributed goods, services, or equipment recognized as revenue amounted to \$145,837 and \$156,825 for the years ended December 31, 2025 and 2024, respectively.

Contributed Services

United Way recognized contributed professional services in the amount of \$16,310 and \$15,755 for the years ended December 31, 2025 and 2024, respectively. Recognized contributed services were related to financial planning, and audit and accounting services.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Credit Risk

United Way manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) up to \$250,000 per depositor, per insured institution, for each account ownership category. As of December 31, 2025 and 2024, the Organization had approximately \$182,022 and \$496,623, respectively, in excess of insured limits. Of these amounts, \$182,022 and \$403,971 were in excess of NCUA coverage as of December 31, 2025 and 2024, respectively, and \$92,651 was in excess of FDIC coverage as of December 31, 2024. To date, United Way has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is limited due to high historical collection rates.

Functional Allocation of Expenses

The costs of providing program services and other costs are reported on a functional basis in the statements of activities and changes in net assets and the statements of functional expenses. Accordingly, certain costs have been allocated among the program and support service centers that benefit from such costs. Payroll and related costs are allocated to functional cost centers based upon the time personnel devote to each cost center. Other costs are allocated based on reasonable estimates determined by management. All allocation methods are reviewed and revised when necessary to reflect changes in the nature, level of activities, and the delivery of services.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash on deposit, and highly liquid short-term investments with maturity of 90 days or less at the time of acquisition. United Way regularly maintains cash balances in excess of federally insured limits.

Promises to Give

Pledges for contributions are recorded when received and allowances are provided for amounts estimated to be uncollectible (see Note 3).

Investments

Investments in equity securities with readily determinable fair market values and all investments in debt securities are presented in the financial statements at fair market value, with the resulting realized and unrealized gains and losses included in the statements of activities and changes in net assets. The United Way investment policy identifies an acceptable and appropriate investment strategy. Emphasis is placed on capital growth, preservation of purchasing power and diversification of risk.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land, Building, and Equipment

Land, building, and equipment with costs of \$1,500 or more are recorded at cost for purchased items and estimated fair market value for assets donated. Depreciation is determined using the straight-line method based on estimated useful lives of 3 to 35 years. Assets received with donor restrictions whose restrictions are met in the same year they are received are reported as without donor restriction. Gifts of long-lived assets or gifts of cash restricted to purchase long-lived assets without stipulations about how long the assets must be used are reported as without donor restriction.

Fair Value of Financial Instruments

United Way categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that United Way can access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions as there is little, if any, related market activity.

Subsequent to initial recognition, United Way may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. United Way has not elected to measure any existing financial instruments at fair value. However, it may elect to measure newly acquired financial instruments at fair value in the future.

There have been no changes in the methodologies used on December 31, 2025 and 2024.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Under provisions of Section 501(c)(3) of the Internal Revenue Code, United Way is exempt from federal income taxes, except for net income from unrelated business activities. As of December 31, 2025 and 2024, United Way had no unrelated business activities subject to federal income tax.

Management has evaluated United Way's tax positions and concluded that United Way had taken no uncertain tax positions that require adjustments to the financial statements to comply with the provisions of *Accounting Standards Codification* (ASC) 740-10.

Advertising

Costs incurred for advertising are expensed when incurred. Advertising costs for the years ending December 31, 2025 and 2024 were \$1,883 and \$3,218, respectively. In-kind advertising costs for the years ended December 31, 2025 and 2024 were \$7,800 and \$13,678, respectively.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

Subsequent events have been evaluated through June 24, 2026, which is the date the financial statements were available to be issued.

NOTE 3 CAMPAIGN PLEDGES RECEIVABLE

Campaign pledges receivable are composed of the following on December 31:

	2025	2024
Campaign Pledges Receivable	\$ 554,232	\$ 568,777
Less: Allowance for Uncollectible Pledges	(111,685)	(124,740)
Campaign Pledges Receivable, Net	<u>\$ 442,547</u>	<u>\$ 444,037</u>

The allowance for uncollectible pledges is based upon a historical average pledge loss and is adjusted for current economic factors as determined appropriate by management. The allowance is applied to the gross campaign, including donor designations.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 4 LAND, BUILDING, AND EQUIPMENT

Land, building, and equipment consisted of the following on December 31:

	2025	2024
Land	\$ 52,000	\$ 52,000
Building	931,922	913,785
Equipment	187,041	241,119
Total	1,170,963	1,206,904
Less: Accumulated Depreciation	(976,038)	(994,452)
Land, Building, and Equipment, Net	<u>\$ 194,925</u>	<u>\$ 212,452</u>

Depreciation expense amounted to \$35,665 and \$40,193 for the years ended December 31, 2025 and 2024, respectively.

NOTE 5 COMMUNITY FUNDING AND DONOR DESIGNATIONS PAYABLE

Community Funding

United Way of Benton & Franklin Counties' Community Impact funding process includes an open bid invitation. Volunteers evaluate bids against minimum criteria which included, among others, alliance with the Community Impact Strategic Plan, meeting outcomes and prior experience. The open bid process is a multi-year funding cycle. Programs are evaluated to stated outcomes to determine funding continuation year.

Community funding payable consisted of the following on December 31:

	2025	2024
Community Impact Funding	<u>\$ 41,970</u>	<u>\$ 76,500</u>

Donor Designations

Cash contributions and pledges designated by donors to specific organizations are considered agency transactions as defined by ASC 958. As such, United Way considers these amounts raised on behalf of others.

Donor designations payable consisted of the following on December 31:

	2025	2024
Community Agencies	\$ 183,133	\$ 201,222
Alexis de Tocqueville	110,300	159,525
Total	<u>\$ 293,433</u>	<u>\$ 360,747</u>

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 6 NET ASSETS

The establishment and maintenance of reserves is a prudent business practice. Adequate reserves without donor restrictions enable United Way to support strategic business practices, and to manage cash flow interruptions due to deficiencies in revenue attainment, larger than expected pledge receivable write-offs, business interruption with a major employer, or community disaster. The Board of Directors has designated net assets without donor restrictions for the following purposes:

Working Capital Fund – The intent of the working capital reserve fund is to effectively manage and address current ongoing financial obligations such as budgeted expenses and agency and community services payments. The Working Capital Fund is fully funded.

Operating Reserve Fund – The intent of the operating reserve is to meet the operating needs of the organization. Funds may also be used for unanticipated, unbudgeted operating needs not covered by annual revenue. The Operating Reserve Fund is fully funded.

Community Investment Reserve Fund – This fund is used to meet strategic or emergent community needs identified by the Board of Directors. The Community Investment Reserve Fund is fully funded.

Capital Asset Fund – Amounts have been designated for new and replacement capital purchases as approved by the Board of Directors. In 2018, the Board of Directors approved additional funding for a major capital renewal project to renovate United Way's 25-year-old office and training center. The funding base is \$100,000 for the years ended December 31, 2025 and 2024.

New Programs/Emerging Needs – Amounts designated to this fund are for new programs and needs not covered by the current community impact funding process. This fund is not restricted to current United Way service providers. Multi-year provisional grants for a new program are permissible. A process separate from the routine annual allocations process is utilized to request, screen, and evaluate proposals, and recommend funding for new program areas. The funding basis shall be as designated by the Board of Directors.

United Way Quasi-Endowment – In 1991, the Board of Directors created a permanent fund where annual investment income from the quasi-endowment funds would be used to underwrite the cost of administration, pledge loss, and fundraising expenses. This would allow the proceeds of an annual fundraising campaign to be utilized for community needs. Investment income from the United Way Endowment should be retained in the fund until the minimum endowment objective is reached. The board-designated endowment funds are included in net assets without donor restrictions. Donor-designated endowment funds are included in net assets with donor restrictions. The Board of Directors determines the funding basis.

Strategic Initiative Fund – The strategic initiative fund was established in 2021 to fund direct community impact initiatives to fill gaps in services needed for long-term change in Benton & Franklin Counties. The strategic initiative fund is fully funded.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 6 NET ASSETS (CONTINUED)

Community Impact Endowment Amount Available for Distribution – In 2013, United Way received an endowed gift of \$442,064. In 2025 and 2024, United Way earned \$99,508 and \$58,859, respectively. Of this, \$40,916 and \$32,407, respectively, were approved for distribution.

Net assets without donor restrictions are composed of the following on December 31:

	2025	2024
Board-Designated Net Assets:		
Working Capital Fund	\$ 485,651	\$ 566,759
Operating Reserve Fund	369,956	439,036
Community Investment Reserve Fund	25,000	50,575
Capital Asset Fund	100,000	100,000
New Programs/Emerging Needs	73,713	73,713
United Way Quasi-Endowment - General	2,026,861	1,753,543
Strategic Initiative Fund	400,934	481,011
Accumulated Reserve Fund	489,741	401,370
Investment in Land, Building, and Equipment, Net	176,788	212,454
Total Board-Designated Net Assets	<u>\$ 4,148,644</u>	<u>\$ 4,078,461</u>

Net assets with donor restrictions are restricted for the following purposes on December 31:

	2025	2024
Subject to Expenditure for Specified Purpose:		
Programmatic Support, Grant Funds Received	\$ 57,299	\$ 6,194
Subject to the Passage of Time:		
Current Year Campaign Results	149,114	83,292
Endowments Subject to United Way's Spending Policy:		
Investments in Perpetuity to Support:		
General Endowment - Cash Value of Life Insurance	374,480	357,514
General Endowment	2,299	2,299
Community Impact Endowment	738,755	680,166
Total	<u>1,115,534</u>	<u>1,039,979</u>
Total Net Assets With Donor Restrictions	<u>\$ 1,321,947</u>	<u>\$ 1,129,465</u>

Net assets released from donor restrictions on December 31:

	2025	2024
Expiration of Time Restrictions	\$ 793,821	\$ 808,119
Satisfaction of Purpose Restrictions:		
Programmatic Support, Grant Funds Used	-	11,254
Endowment Distributions	40,916	32,407
Total Net Assets Released from Donor Restrictions	<u>\$ 834,737</u>	<u>\$ 851,780</u>

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 7 RETIREMENT PLAN

On July 1, 2020 United Way adopted the Columbia Basin Non-Profit Association 401(k) Qualified Retirement Multi-Employer Plan to provide employees with the opportunity to save for retirement on a tax-advantaged basis. Prior to July 1, 2020 United Way participated in a tax-deferred annuity retirement plan that was subject to the provisions of Section 403(b) of the Internal Revenue Code.

Employees of United Way meeting the prescribed length of service and age requirements are covered under provisions of the Plan. Nondiscretionary contributions are 5% of qualified compensation. United Way also provided a percentage match not to exceed 7% of qualified compensation. Total retirement plan expense was \$67,444 and \$70,031 for the years ended December 31, 2025 and 2024, respectively.

NOTE 8 FAIR VALUE DISCLOSURES

United Way uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how United Way measures fair value, refer to Note 2 – Summary of Significant Accounting Policies.

Financial Instruments Recorded at Fair Value

The fair values of available-for-sale investments are estimated based on quoted prices in active markets for identical assets. The following tables present the fair value hierarchy for the balance of the assets and liabilities of United Way measured at fair value on a recurring basis as of December 31:

<u>December 31, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Exchange-Traded Funds	\$ 3,798,714	\$ -	\$ -	\$ 3,798,714
Mutual Funds	195,473	-	-	195,473
Total	<u>\$ 3,994,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,994,187</u>
 <u>December 31, 2024</u>				
Assets:				
Exchange-Traded Funds	\$ 2,140,214	\$ -	\$ -	\$ 2,140,214
Mutual Funds	1,385,822	-	-	1,385,822
Total	<u>\$ 3,526,036</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,526,036</u>

NOTE 9 ENDOWMENTS

United Way's endowments consist of mutual funds, bond funds, and capital markets and were established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, 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.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 9 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

The Board of Directors of United Way has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, United Way classifies net assets with donor restrictions as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (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. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions as is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the organization considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization 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 organization
- The investment policies of the organization

Endowment net asset composition by type of fund as of December 31:

<u>December 31, 2025</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Board-Designated Endowment Funds	\$ 2,026,861	\$ -	\$ 2,026,861
Donor-Restricted Endowment Funds:			
Community Impact Endowment Funds	-	738,755	738,755
General Endowment Funds	-	376,779	376,779
Total	<u>\$ 2,026,861</u>	<u>\$ 1,115,534</u>	<u>\$ 3,142,395</u>
<u>December 31, 2024</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Board-Designated Endowment Funds	\$ 1,753,543	\$ -	\$ 1,753,543
Donor-Restricted Endowment Funds:			
Community Impact Endowment Funds	-	680,166	680,166
General Endowment Funds	-	359,813	359,813
Total	<u>\$ 1,753,543</u>	<u>\$ 1,039,979</u>	<u>\$ 2,793,522</u>

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 9 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

Changes in endowment net assets for the years ended December 31:

<u>December 31, 2025</u>	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ 1,753,543	\$ 1,039,979	\$ 2,793,522
Investment Return, Net	273,318	116,471	389,789
Contributions	-	-	-
Appropriation of Endowment Assets			
Pursuant to Spending-Rate Policy	-	(40,916)	(40,916)
Other Changes:			
Distribution from Board-Designated			
Pursuant to Distribution Policy	-	-	-
Endowment Net Assets - End of Year	<u>\$ 2,026,861</u>	<u>\$ 1,115,534</u>	<u>\$ 3,142,395</u>
<u>December 31, 2024</u>	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ 1,601,599	\$ 985,746	\$ 2,587,345
Investment Return, Net	151,944	86,640	238,584
Contributions	-	-	-
Appropriation of Endowment Assets			
Pursuant to Spending-Rate Policy	-	(32,407)	(32,407)
Other Changes:			
Distribution from Board-Designated			
Pursuant to Distribution Policy	-	-	-
Endowment Net Assets - End of Year	<u>\$ 1,753,543</u>	<u>\$ 1,039,979</u>	<u>\$ 2,793,522</u>

Return Objectives and Risk Parameters

United Way has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that provides a balance that will enhance total return while avoiding undue risk concentration in any single asset class or category. The performance goal of the Endowment shall be measured as time-weighted rates of return compared to appropriate capital market indices.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, United Way 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). United Way 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.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 9 ENDOWMENTS (CONTINUED)

Spending Policy

It is the policy of United Way to maintain a minimum principal value plus annual contributions adjusted for inflation at the end of each calendar year. This is consistent with United Way's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. Once each Endowment goal has been achieved distribution amounts will be calculated annually per the Board-Approved Endowment Policy.

There is a minimum distribution of \$5,000 to help stabilize endowed funds in the event of weak market results or deflation and will maintain low administration costs. In establishing this policy, United Way considered the long-term expected return on its endowment.

NOTE 10 RELATED PARTY TRANSACTIONS

United Way paid dues to the national organization, United Way Worldwide, of \$18,685 and \$14,814 for the years December 31, 2025 and 2024, respectively.

United Way received campaign contributions from members of its Board of Directors of \$37,750 and \$52,729 for the years December 31, 2025 and 2024, respectively.

NOTE 11 CONTRIBUTED NONFINANCIAL ASSETS

For the years ended December 31, 2025 and 2024, contributed nonfinancial assets recognized within the statements of activities and changes in net assets included the following:

	2025	2024
Printing and Supplies	\$ 75,016	\$ 78,420
Special Events	46,033	47,752
Professional Fees	16,310	15,755
Marketing and Advertising	7,800	13,678
Repairs and Maintenance	679	1,220
Total	<u>\$ 145,838</u>	<u>\$ 156,825</u>

Contributed marketing, advertising, printing and supplies revenues are valued using estimated U.S. wholesale prices of identical or similar products using pricing data under a "like-kind" methodology considering the condition and utility for use at the time of the contribution. Contributed items were used primarily in program related activities.

Professional fees include financial planning and audit and accounting services. Contributed professional services are valued and reported at the estimated fair value in the financial statements based on current rates for similar services. These services were classified as management and general activities.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 11 CONTRIBUTED NONFINANCIAL ASSETS (CONTINUED)

Special event contributions consisted of donated auction and event items for the annual Festival of Trees Fundraising Gala and were valued at fair value at the date of the gift.

No contributed nonfinancial assets for the years ended December 31, 2025 and 2024 were monetized and there were no donor-imposed restrictions.

NOTE 12 LIQUIDITY AND AVAILABILITY OF RESOURCES

United Way's financial assets available within one year of the statement of financial position date for general expenditures are as follows on December 31:

	<u>2025</u>	<u>2024</u>
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 817,910	\$ 1,184,932
Campaign Pledges Receivable	442,547	444,037
Grants Receivable	56,502	63,264
Investments	3,994,187	3,526,036
Cash Value of Life Insurance	<u>374,481</u>	<u>357,515</u>
Total Financial Assets	5,685,627	5,575,784
Less Amounts Not Available to be Used Within One Year:		
Net Assets With Donor Restrictions	(1,321,947)	(1,129,465)
Board-Designated Net Assets	<u>(3,971,856)</u>	<u>(3,866,007)</u>
Total	<u>(5,293,803)</u>	<u>(4,995,472)</u>
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 391,824</u>	<u>\$ 580,312</u>

As part of the United Way's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. United Way invests cash in excess of cash flow requirements in short-term investments.

NOTE 13 COPPER VIEW APARTMENTS

During the year ended December 31, 2025, United Way entered into an agreement to serve as the Community Based Organization for the Copper View Apartments project (the Project) in West Richland, Washington. The Project is to build a 264-unit apartment complex for low-income families and United Way is to assist the developer in the community engagement process throughout the life of the Project. At the end of the Project, United Way will receive up to \$100,000 of the developer fees payable with respect to the Project for the community engagement services rendered in connection with the development of the Project.

UNITED WAY OF BENTON & FRANKLIN COUNTIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 14 RESTATEMENT

The portion of the investment return related to the Community Impact Endowment that has not been appropriated for expenditure has historically been reported as net assets without donor restrictions, which does not align with UPMIFA (see Note 9). As such, a misclassification exists between net asset without donor restrictions and net assets with donor restrictions of \$211,650 as of January 1, 2024. United Way restated its original 2024 presentation for investment return related to the Community Impact Endowment fund, net asset classification, and net assets released from restrictions.

United Way's restatement had the following effects for the year ended December 31, 2024:

	As Originally Reported	As Restated	Total Effect of Change
Net Assets With Donor Restrictions	\$ 916,609	\$ 1,128,259	\$ 211,650
Net Assets Without Donor Restrictions	4,526,752	4,315,102	(211,650)
Investment Income, Net:			
Without Donor Restrictions	315,824	256,964	(58,860)
With Donor Restrictions	27,780	86,640	58,860
Net Assets Released from Restrictions	(819,373)	(851,780)	(32,407)
Note 6 - Net Assets			
Community Impact Endowment	442,063	680,166	238,103
United Way Quasi-Endowment - General	1,991,646	1,753,543	(238,103)
Note 9 - Endowments			
Donor-restricted Endowment Funds:			
Community Impact Endowment	442,063	680,166	238,103
Board-Designated Endowment Funds	1,991,646	1,753,543	(238,103)
Endowment Net Assets, Beginning of Year			
Without Donor Restrictions	1,813,249	1,601,599	(211,650)
With Donor Restrictions	774,096	985,746	211,650
Appropriation of Endowment Assets			
Pursuant to Spending-Rate Policy	-	(32,407)	(32,407)
Other Changes:			
Distribution from Board-Designated			
Pursuant to Distribution Policy	(32,407)	-	32,407



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