

United Way of Greater Cincinnati and Subsidiary

**Consolidated Financial Statements with Supplementary Information
June 30, 2025, and
Independent Auditors' Report**

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY
June 30, 2025

CONTENTS

	<u>PAGE(S)</u>
Independent Auditors' Report	1 – 3
Consolidated Financial Statements	
Consolidated Statement of Financial Position	4
Consolidated Statement of Activities	5
Consolidated Statement of Functional Expenses	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 24
Supplementary Information:	
Consolidating Statement of Financial Position	25
Consolidating Statement of Activities	26
Schedule of Expenditures of Federal Awards	27 - 28
Independent Auditors' Report on Internal Control Over Financial Reporting on Compliance and Other Matters Based on Audit of Financial Statements Performed in Accordance with Government Auditing Standards	29 - 30
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required By The Uniform Guidance	31 - 33
Schedule of Findings and Questioned Costs	34
Summary Schedule of Prior Audit Findings	35

Independent Auditors' Report

To the Board of Directors
United Way of Greater Cincinnati and Subsidiary
Cincinnati, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of United Way of Greater Cincinnati (a nonprofit organization) and Subsidiary, which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Way of Greater Cincinnati and Subsidiary as of June 30, 2025, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Greater Cincinnati and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

**Independent Auditors' Report
(Continued)**

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of Greater Cincinnati and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Greater Cincinnati and Subsidiary'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.

Independent Auditors' Report
(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statement of financial position, consolidating statement of activities, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating statement of financial position, consolidating statement of activities, and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2026 on our consideration of United Way of Greater Cincinnati and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the United Way of Greater Cincinnati and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way of Greater Cincinnati and Subsidiary's internal control over financial reporting and compliance.



January 26, 2026
Cincinnati, Ohio

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Consolidated Statement of Financial Position
June 30, 2025

	Without Donor Restrictions		With Donor Restrictions	Total
	Operating	Custodial		
Assets				
Cash and cash equivalents	\$ 3,504,216	\$ 2,588,256	\$ 4,575,029	\$ 10,667,501
Certificate of deposit	259,830	-	-	259,830
Contributions receivable	11,675,356	-	344,367	12,019,723
Less allowance for uncollectible	(3,666,000)	-	-	(3,666,000)
Grants and other receivables	945,634	-	-	945,634
Investments	53,391,468	-	-	53,391,468
Investments held in endowment	25,608,444	-	5,352,978	30,961,422
Beneficial interest in charitable trusts	-	-	18,535,509	18,535,509
Interest in assets at community foundations	1,684,666	-	-	1,684,666
Other current assets	687,391	-	6,592	693,983
Notes receivable	146,132	-	-	146,132
Land, buildings and equipment, net	12,237,806	-	-	12,237,806
Total assets	<u>\$ 106,474,943</u>	<u>\$ 2,588,256</u>	<u>\$ 28,814,475</u>	<u>\$ 137,877,674</u>
Liabilities and Net Assets				
Liabilities				
Grants and designations payable	\$ 18,519,277	\$ -	\$ -	\$ 18,519,277
Accounts payable	788,977	-	-	788,977
Accrued expenses	426,506	-	-	426,506
Other liabilities	962,332	2,588,256	-	3,550,588
Total liabilities	<u>20,697,092</u>	<u>2,588,256</u>	<u>-</u>	<u>23,285,348</u>
Net Assets				
Undesignated	36,120,947	-	-	36,120,947
Designated by the Board	49,656,904	-	-	49,656,904
Perpetual in nature	-	-	8,162,571	8,162,571
Purpose restrictions	-	-	19,609,131	19,609,131
Time-restricted for future periods	-	-	1,042,773	1,042,773
Total net assets	<u>85,777,851</u>	<u>-</u>	<u>28,814,475</u>	<u>114,592,326</u>
Total liabilities and net assets	<u>\$ 106,474,943</u>	<u>\$ 2,588,256</u>	<u>\$ 28,814,475</u>	<u>\$ 137,877,674</u>

See accompanying notes to consolidated financial statements

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Consolidated Statement of Activities Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue			
Gross campaign results (2025/2026)	\$ 974,700	\$ 11,405	\$ 986,105
Less donor designations	<u>(58,931)</u>	<u>-</u>	<u>(58,931)</u>
Net campaign revenue (2025/2026)	915,769	11,405	927,174
Gross campaign results (2024/2025)	24,205,133	1,197,216	25,402,349
Less donor designations	<u>(3,367,391)</u>	<u>-</u>	<u>(3,367,391)</u>
Change in provision for uncollectible	<u>(2,248,451)</u>	<u>-</u>	<u>(2,248,451)</u>
Net campaign revenue (2024/2025)	18,589,291	1,197,216	19,786,507
Gross campaign results (2023/2024)	1,227,548	515,507	1,743,055
Less donor designations	<u>(127,404)</u>	<u>-</u>	<u>(127,404)</u>
Change in provision for uncollectible	<u>613,300</u>	<u>-</u>	<u>613,300</u>
Net campaign revenue (2023/2024)	1,713,444	515,507	2,228,951
Gross campaign results (2022/2023)	148,520	-	148,520
Change in provision for uncollectible	<u>(5,889)</u>	<u>-</u>	<u>(5,889)</u>
Net campaign revenue (2022/2023)	142,631	-	142,631
Other contributions	1,033,556	531,429	1,564,985
Designations from other United Ways	331,122	-	331,122
Service fees	262,963	1,000	263,963
Grants and contracts	9,986,245	1,644,712	11,630,957
Net investment return	2,986,504	133,225	3,119,729
Net realized gain on investments	584,023	121,228	705,251
Net unrealized gain on investments	3,785,650	469,359	4,255,009
Fair value change of beneficial interest in charitable trusts	-	1,025,347	1,025,347
Donated materials and services	61,089	-	61,089
Miscellaneous income	301,761	-	301,761
Net assets released from restrictions	4,628,377	<u>(4,628,377)</u>	-
Total Public Support and Revenue	45,322,425	1,022,051	46,344,476
Expenses			
Program services			
Grants and distributions	35,596,965	-	35,596,965
Less donor designations	<u>(3,553,726)</u>	<u>-</u>	<u>(3,553,726)</u>
Net grants and distributions	32,043,239	-	32,043,239
Other program services	8,297,383	-	8,297,383
Total program services	40,340,622	-	40,340,622
Supporting services	7,429,867	-	7,429,867
Total Expenses	47,770,489	-	47,770,489
Change in net assets	(2,448,064)	1,022,051	(1,426,013)
Net assets, beginning of period	88,225,915	27,792,424	116,018,339
Net assets, end of period	\$ 85,777,851	\$ 28,814,475	\$ 114,592,326

See accompanying notes to consolidated financial statements

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Consolidated Statement of Functional Expenses
Year Ended June 30, 2025

	Program Services			Supporting Services			Total
	Community Impact	Direct Services	Program Services Total	Organizational Administration	Fundraising	Supporting Services Total	
Grants and distributions	\$ 34,909,933	\$ 687,032	\$ 35,596,965	\$ -	\$ -	\$ -	\$ 35,596,965
Less donor designations	(3,553,726)	-	(3,553,726)	-	-	-	(3,553,726)
Sub-Total	31,356,207	687,032	32,043,239	-	-	-	32,043,239
Salaries	2,136,705	2,354,737	4,491,442	1,559,346	2,037,709	3,597,055	8,088,497
Payroll taxes	162,139	166,674	328,813	256,163	152,251	408,414	737,227
Employee benefits	249,784	288,778	538,562	123,977	231,344	355,321	893,883
Sub-Total	2,548,628	2,810,189	5,358,817	1,939,486	2,421,304	4,360,790	9,719,607
Contract services	477,323	786,860	1,264,183	554,332	292,819	847,151	2,111,334
Office expense	84,862	48,425	133,287	77,521	27,786	105,307	238,594
Printing and publications	9,100	13,209	22,309	8,667	22,651	31,318	53,627
Information technology	277,560	312,499	590,059	357,145	207,675	564,820	1,154,879
Occupancy	49,263	269,066	318,329	643,881	121,443	765,324	1,083,653
Advertising and promotions	134,672	76,215	210,887	64,425	72,969	137,394	348,281
Travel	24,419	12,120	36,539	5,228	3,517	8,745	45,284
Meetings and events	161,056	73,354	234,410	30,859	81,085	111,944	346,354
Staff development	5,022	9,187	14,209	18,169	3,791	21,960	36,169
Dues	402,799	45,698	448,497	7,629	6,415	14,044	462,541
Insurance	25,189	24,804	49,993	21,300	33,919	55,219	105,212
Miscellaneous	55,448	31,826	87,274	96,202	(15,646)	80,556	167,830
Depreciation and amortization	190,116	209,627	399,743	144,677	180,618	325,295	725,038
Sub-Total	1,896,829	1,912,890	3,809,719	2,030,035	1,039,042	3,069,077	6,878,796
Less interdepartmental expenses	-	(871,153)	(871,153)	-	-	-	(871,153)
Total expenses	\$ 35,801,664	\$ 4,538,958	\$ 40,340,622	\$ 3,969,521	\$ 3,460,346	\$ 7,429,867	\$ 47,770,489

See accompanying notes to consolidated financial statements

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Consolidated Statement of Cash Flows
Year Ended June 30, 2025

Cash flows from operating activities

Change in net assets	\$ (1,426,013)
Adjustments to reconcile change in net assets to cash from operating activities:	
Net realized gains on investments	(705,251)
Net unrealized gains on investments	(4,255,009)
Depreciation and amortization	725,038
Change in fair value of beneficial interest in charitable trusts	(1,025,347)
Provisions for uncollectible receivables	1,641,040
Change in cash value of life insurance	(28,813)
Changes in:	
Contributions, grants and other receivables	(2,716,688)
Other current and long-term assets and liabilities	668,281
Grants and accounts payable and accrued expenses	<u>8,256,683</u>
Net cash provided by operating activities	<u>1,133,921</u>

Cash flows from investing activities

Purchases of certificate of deposit	(259,830)
Proceeds from sale of investments	438,165,448
Purchases of investments	(438,281,806)
Purchase of property and equipment	(416,464)
Proceeds from repayment of notes receivable	<u>37,896</u>
Net cash used in investing activities	<u>(754,756)</u>

Net change in cash and cash equivalents 379,165

Cash and cash equivalents, beginning of period 10,288,336

Cash and cash equivalents, end of period \$ 10,667,501

See accompanying notes to consolidated financial statements

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements

NOTE A ORGANIZATION

United Way of Greater Cincinnati's (UWGC) mission is to fight for the economic well-being of all people in Greater Cincinnati so our entire community can thrive — now and in the future.

Our strategy to support the mission is organized around three pillars. Each conveys a unique approach to driving evolving, yet sustained systems change in our region.

We advocate: We amplify community voice and experience. We develop and advance research, data, tools and recommendations to educate stakeholders and drive action.

We take action: We develop and deploy high-impact solutions to address community-identified needs. We collaborate to achieve shared objectives and create community-owned solutions.

We invest: We support individuals and families in crisis. We fund partners to advance innovative solutions and address systemic challenges to prevent future needs.

UWGC, incorporated in 1920 in the State of Ohio as a charitable organization, is recognized as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

UWGC solicits funds throughout the year to finance a range of programs and initiatives designed to improve the well-being of all families throughout Greater Cincinnati. Revenues, gains and other support, grants, and payments to other United Way organizations are recorded by UWGC.

UWGC operates through four major functional areas and is governed by a volunteer Board of Directors. The four functional areas are:

1. Community Impact

UWGC is the catalyst for a community impact effort focused on meeting immediate, urgent needs while also tackling complex, long-term challenges that no single organization can solve alone. Functioning as a leadership voice, UWGC builds on insight from individuals and organizations throughout its nine-county service area (Hamilton, Clermont and Brown counties in Ohio; Boone, Kenton, Campbell, and Grant counties in Kentucky; and Dearborn and Ohio counties in Indiana) with a shared goal of transforming the region so everyone achieves economic well-being.

The three pathways of our Community Impact department are deeply interconnected: centering Educational Success, creating Financial Empowerment and well-being, and preserving Housing Security. The strategies work together to make our region more equitable and prosperous for all people.

Educational Success: We fight to improve the odds so tomorrow's leaders can build a better foundation today. We know education is not limited to the walls of a classroom. We work to ensure children get a strong start in life, teenagers have the tools necessary to learn and grow, and young adults are positioned to thrive in the job market.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE A ORGANIZATION (CONTINUED)

1. Community Impact (Continued)

Financial Empowerment: We want to put every person, in every community, on a path toward financial empowerment. That starts with access to services, job training, credit counseling and money management programs. When families are stable, our communities are stronger and everyone wins.

Housing Security: We help build stable financial foundations for families in low-income communities by addressing the quality and affordability of housing. We rely on locally informed regional collaborations. We believe that asset building provides greater opportunities for families to sustain intergenerational economic well-being.

2. Direct Services

Direct Services are services provided by UWGC, such as the United Way 211 Helpline, Free Tax Prep, and United Way Volunteer Connection.

United Way's 211 Helpline links people to services. United Way 211 Helpline is available 24 hours a day, seven days a week to people in: Hamilton, Clermont, Brown, and Adams Counties in Ohio; Boone, Kenton, Campbell, and Grant counties in Kentucky.

UWGC's Free Tax Prep program provides free tax preparation and filing services for people with low-to-moderate incomes. Free Tax Prep helps people get the tax credits they deserve while saving them tax preparation fees.

United Way Volunteer Connection strives to increase the effectiveness and participation of all segments of volunteer resources through recruitment, training, education, and recognition.

3. Fundraising

Fundraising plans, directs, and controls the development of financial resources for UWGC through a variety of fundraising activities, including workplace campaigns, campaign communications, individual planned and deferred giving, and supplemental fundraising.

4. Organizational Administration

Organizational Administration directs the internal operation of UWGC, coordinates and manages programs designed to meet goals and objectives at the direction of the Board of Directors, directs and controls financial and technology systems and assets of UWGC, and manages human resources of UWGC.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Principles of Consolidation

The consolidated financial statements include the accounts of UWGC and UWGC Foundation (the Foundation).

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Principles of Consolidation (Continued)

The Foundation, a wholly-owned subsidiary of UWGC, was established for the purpose of handling endowed investments and related activities.

“UWGC” is used herein to refer to UWGC individually and, as applicable, to both organizations on a consolidated basis. All significant intercompany accounts and transactions have been eliminated upon consolidation.

2. Financial Statement Presentation

UWGC classifies its net assets and revenues, expenses, gains and losses, based on the existence or absence of donor-imposed restrictions. The accompanying financial statements have been prepared using the accrual basis of accounting.

3. Cash and Cash Equivalents

UWGC considers all liquid investments with original maturities of three months or less to be cash equivalents. As of June 30, 2025, cash equivalents consisted primarily of money market mutual funds.

UWGC’s cash accounts exceeded federally insured limits by approximately \$10,036,000 as of June 30, 2025.

4. Certificate of Deposit

UWGC holds \$259,830 as of June 30, 2025 in a certificate of deposit with an original maturity of greater than three months.

5. Contributions Receivable

UWGC’s contributions receivable include contributions from the fundraising campaign conducted each fall. Contributions receivable are due in accordance with the donor’s stipulation on the pledge documentation. Contributions receivable are stated at amounts due from donors net of an allowance for uncollectible contributions. UWGC determines its allowance for uncollectible contributions based on historical experience, an assessment of economic conditions, and a review of subsequent collections. UWGC writes off contributions receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for uncollectible contributions.

6. Investments and Net Investment Return

Investments are reported at fair value in the statements of financial position. The value of investments in hedge funds is determined using net asset value (NAV), as a practical expedient. Investments include money market and other investment funds held in custodial accounts.

Interest and dividend income, less investment expenses are included on the statement of activities as net investment return. Gains and losses and investment income are allocated on a percentage basis to applicable funds.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Land, Buildings and Equipment

Land, buildings and equipment additions over \$5,000 are recorded at cost, or fair value, if donated, at time of acquisition or donation and depreciated generally on a straight-line basis over the estimated useful lives of each asset, which range from 3 to 40 years. When assets are sold or otherwise disposed of, 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. Cost of maintenance and repairs that do not improve or extend the lives of the respective assets are expensed.

UWGC evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result for the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

No asset impairment was recognized during the year ended June 30, 2025.

8. Contributions

Contributions are provided to UWGC either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restriction</i> - Gifts that depend on the UWGC overcoming a donor imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e. the donor imposed barrier is met
<i>Unconditional gifts, with or without restriction</i> - Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Contributions (Continued)

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Contributions and investment income that are originally restricted by the donor and for which the restriction is met in the same period the gift is received as recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions and investment income having donor stipulations which are satisfied in the period the gift is received and the investment income is earned are recorded as revenue with donor restrictions and then released from restriction. There were no conditional contributions as of June 30, 2025.

Certain contributions received in fundraising campaigns are designated by individuals for specific agencies or for United Way organizations in areas other than the Greater Cincinnati service area. Accounting standards require that organizations who receive contributions that are designated by donors for other organizations exclude such designated contributions from amounts recognized as contributions received and contributions made. UWGC classifies and reports such designations in its statements of activities as a reduction of contribution revenue and of grants expense.

9. Donated Materials and Services

Contributions of materials and services are recognized as revenue at their estimated fair value. Donated services are recognized only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. Donated materials and services in 2025 are without donor restriction and total approximately \$61,000 and primarily includes advertising that is provided over television networks in the region to promote United Way.

10. Conditional Grants and Contracts

UWGC has certain grants and contracts for which the funding agencies' promise to give are conditioned upon UWGC incurring certain qualifying expenses or meeting certain milestones under the agreements. At June 30, 2025, UWGC had remaining available award balances on conditional grants and contracts of approximately \$907,000. These award balances are not recognized as assets and will be recognized as revenue as the conditions are met, generally as qualifying expenses are incurred or milestones are achieved.

11. Grants Expense

UWGC records grants to agencies as grants expense in the period such grants are approved by the Board of Directors and commitments are made to the recipient agencies. UWGC has a policy of making grant commitments in the spring for a grant funding year of July 1 to June 30.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. Functional Allocation of Expenses

The costs of supporting the program services and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the program and support services categories based on specific identification and UWGC staff time spent within each functional area.

13. Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Net assets without donor restrictions are available for use in general support of UWGC activities and not subject to donor restrictions. Custodial funds represent balances held for grant payments to agencies. The governing board has designated, from net assets without donor restrictions, net assets for specific purposes (see Note K).

Net assets with donor restrictions are subject to donor-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 are perpetual in nature, where the donor stipulated those resources be maintained in perpetuity. All growth is recorded as with donor restriction.

14. Market and Credit Risk

UWGC holds investments in equity, debt securities, repurchase agreements, and hedge funds. Management does not believe there are any undue concentrations of risk with regard to investments held. UWGC's contributions receivable are from various employers, employees of such employers and from the general public in the Greater Cincinnati area.

UWGC invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated statements of financial position.

15. Income Taxes

UWGC is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, UWGC is subject to federal income tax on any unrelated business taxable income. UWGC files tax returns in the U.S. federal jurisdiction.

16. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, other changes in net assets during the reporting period. Actual results could differ from those estimates.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE C REVENUE FROM CONTRACTS WITH THIRD PARTIES

The majority of UWGC's revenues come from contributions and investment income, which are outside the scope of Accounting Standards Update 2014-09, *Revenue from Contracts with Customers* (Topic 606). UWGC's revenue streams which fall within the scope of Topic 606 are as follows:

Service Fee Revenue

Service fee revenue is recognized as UWGC satisfies performance obligations under its contract with third parties to perform various administrative and project management services. UWGC recognizes revenue when performance obligations under the terms of the contracts with third parties are satisfied.

Performance obligations are determined based on the nature of services provided by UWGC in accordance with the contract. Revenue for performance obligations satisfied over time is recognized ratably over the period based on time elapsed. UWGC believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

UWGC has determined that the nature, amount, timing and uncertainty of service fee revenue and cash flows are affected by the mix of services provided to third parties.

NOTE D CONTRIBUTIONS RECEIVABLE

Contributions receivable without donor-imposed restrictions and the related allowance for uncollectible contributions at June 30, 2025 consisted of the following:

	Contributions Receivable	Allowance for Uncollectible	Net Contributions Receivable
Campaign 2025-2026	\$ 391,132	\$ -	\$ 391,132
Campaign 2024-2025	9,930,805	(2,156,000)	7,774,805
Campaign 2023-2024	<u>1,353,419</u>	<u>(1,510,000)</u>	<u>(156,581)</u>
	<u><u>\$ 11,675,356</u></u>	<u><u>\$ (3,666,000)</u></u>	<u><u>\$ 8,009,356</u></u>

In addition, UWGC has donor-imposed restricted contributions at June 30, 2025 as follows:

Within one year	\$ 315,216
One to five years	<u>30,005</u>
	345,221
Less: present value component	<u>(854)</u>
Total multi-year contributions receivable	<u><u>\$ 344,367</u></u>

The discount rate was 4.46% for 2025.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE E GRANTS AND OTHER RECEIVABLES

Grants and other receivables at June 30, 2025 consisted of the following:

	Without Donor Restrictions		With Donor Restrictions	Total
	Operating	Custodial		
Interest and dividends	\$ 321,346	\$ -	\$ -	\$ 321,346
Grant receivables	571,559	-	-	571,559
Other receivables	52,729	-	-	52,729
	<u>\$ 945,634</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 945,634</u>

All accounts were deemed collectible as of June 30, 2025.

NOTE F CHARITABLE TRUST AGREEMENTS

UWGC is the beneficiary of several perpetual trusts. Under the terms of these agreements, UWGC is to receive income earned on trust assets annually for its use into perpetuity. At the time UWGC is notified of its interest, the fair value of UWGC's interest in these perpetual trusts is recorded as a contribution with donor restrictions and a beneficial interest in the charitable trust. The estimated value of expected future cash flows is evaluated annually and any change in value is classified as with donor restrictions. The value of perpetual trusts at June 30, 2025 was \$8,162,571, which includes \$577,022 recognized in investments held in endowment on the consolidated statement of financial position.

UWGC is also the beneficiary of several charitable remainder trusts. Under the terms of these agreements, the beneficiaries designated by the donor receive periodic distributions from the trust for either a specified dollar amount or a specified percentage of the trust's fair market value over the trust's term. Upon termination of the trust, UWGC receives its entire portion of the assets remaining in the trust. The value of charitable remainder trusts as of June 30, 2025 was \$10,949,959.

At the time UWGC is notified of its interest, the present value of the estimated future benefits to be received is recorded as a contribution with donor restrictions and a beneficial interest in charitable trust. No income was received from beneficial interests in charitable trusts for the year ended June 30, 2025. The estimated value of expected future cash flows is evaluated annually and any change in value is classified as with donor restrictions.

NOTE G NOTES RECEIVABLE

Since 2021, UWGC has entered into three promissory note agreements with three organizations. The notes were set up for obligations under the defined benefit pension plan. The first promissory note is an eight-year note with a 3% per annum interest rate. This promissory note was restructured in 2023 and principal payments are repaid monthly starting May 20, 2023 through April 20, 2031. The second promissory note, paid off during the year ending June 30, 2025, was a three-year note with a 5% per annum interest rate. Principal payments were repaid monthly starting December 1, 2021 through November 1, 2024. The third promissory note, also paid off during the year ending June 30, 2025, was a one-year note with a 5% per annum interest rate. Principal and interest payments were repaid monthly starting February 1, 2024 through January 1, 2025. The balance of the remaining note receivable as June 30, 2025 was \$146,132.

All notes were deemed collectible as of June 30, 2025.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE H LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment at June 30, 2025 consisted of the following:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land and land improvements	\$ 473,133	\$ (69,390)	\$ 403,743
Buildings and improvements	15,813,282	(5,573,447)	10,239,835
Office furniture and equipment	3,085,194	(1,490,966)	1,594,228
Vehicles	35,608	(35,608)	-
Total	\$ 19,407,217	(7,169,411)	12,237,806

NOTE I DEFINED CONTRIBUTION PLAN

UWGC has a defined contribution plan covering substantially all employees. The Board of Directors annually determines the amount, if any, UWGC contributes to the plan.

Retirement expense for the defined contribution plan for the year ended June 30, 2025 was \$166,900, and is included in employee benefits expenses. There was no non-elective contribution accrual for the year ended June 30, 2025.

UWGC also has a 457(b) voluntary defined contribution plan for certain highly compensated employees. The participants are able to choose a portfolio of deferred compensation investments offered by UWGC. Due to the nature of the 457(b) plan, until the amounts are paid to the participants in the plan, all amounts invested are the UWGC's assets and are subject to the UWGC's creditors.

Participants are immediately vested in the 457(b) plan. During 2025, UWGC contributed \$23,500 to the 457(b) plan. The 457(b) plan assets and liabilities as of June 30, 2025 are \$128,278 and are included in investments and accounts payable on the consolidated statement of financial position.

NOTE J NET ASSETS WITH DONOR RESTRICTIONS

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

Held as beneficial interest in charitable trusts	\$ 10,949,959
Perpetual in nature	8,162,571
Various purpose restrictions	7,701,825
Community Empowerment Works	144,238
Project Lift	185,455
Stable Families	627,654
Use in future periods	1,042,773
Total	\$ 28,814,475

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE J NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Expiration of time restrictions	\$1,016,267
Satisfaction or purpose restrictions:	
Project Lift	193,781
Early Learning Indiana	122,223
Stable Families	542,478
Black Led Social Change	472,530
Various purpose restrictions	<u>1,581,472</u>
	<u>3,928,751</u>
Restricted-purpose spending-rate distributions and appropriations	<u>699,626</u>
Total	<u>\$ 4,628,377</u>

NOTE K NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions at June 30, 2025 consisted of the following:

Undesignated UWGC net assets as follows	
General undesignated	\$ 23,830,641
Amounts invested in land, buildings and equipment, or designated by the Board for such purposes	<u>12,290,306</u>
Total Undesignated	36,120,947
UWGC assets designated by the Board as follows:	
Foundation assets held by community foundation	1,684,666
Foundation designated for endowment	25,565,085
Foundation cash surrender value of life insurance	306,540
UWGC capital reserves	1,527,187
2020 major donor investment balance	<u>20,573,426</u>
Total Board Designated	49,656,904
Total	<u>\$ 85,777,851</u>

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE L RELATED PARTY TRANSACTIONS

UWGC has an Operating Agreement with Cincinnati Preschool Promise, LLC (CPP, LLC). UWGC, as the initial member, made a \$100 capital contribution to CPP, LLC for 100 units of ownership interest. At the time that CPP, LLC was incorporated the UWGC Board of Directors named five Managers and ratified all other members of the CPP, LLC Board of Managers. Per the Operating Agreement the UWGC Board of Directors continues to name five Managers to the CPP, LLC Board of Managers, and it also continues to have a duty to ratify all members that would join the CPP, LLC Board of Managers.

In addition to the above, UWGC has two contracts with CPP, LLC. One for various professional services it provides to CPP, LLC and one that is a lease for office space. Neither contract represents a material amount to UWGC.

NOTE M LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2025 comprise of the following:

Cash and cash equivalents	\$ 3,504,216
Contributions receivable, net	8,009,356
Grants and other receivables	945,634
Investments	53,391,468
Investments held in endowment	<u>25,608,444</u>
	91,459,118
Less board designated amounts not available for general expenditure within one year	<u>(49,656,904)</u>
Total	<u>\$ 41,802,214</u>

UWGC's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowment of \$27,556,291 as of June 30, 2025, is subject to an annual spending rate of up to 5% as described in Note O. Although UWGC does not intend to spend from the board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

Amounts available for expenditure from Foundation investments are approved annually by the Foundation Board in accordance with its spending policy.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE M LIQUIDITY AND AVAILABILITY (CONTINUED)

UWGC manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. UWGC maintains an operating reserve policy using the liquid unrestricted net asset (LUNA) calculation which represents the portion of unrestricted net assets the UWGC Board has discretionary control to use in carrying on the operations of UWGC. A target of six – twelve months of operating reserves using the LUNA calculation is used to (1) protect cash flow interruptions/cycles, (2) eliminate financing for operations, (3) protect for deficiencies in campaign activities and (4) provide flexibility for new organizational directions. To achieve these targets, UWGC regularly monitors cash flows, and monitors its reserves annually with the Finance, Audit & Compliance Committee. In addition, UWGC Board reviews the summarized financial reports periodically.

NOTE N INVESTMENTS AND OTHER FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
Level 3	Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE N INVESTMENTS AND OTHER FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents the fair value measurements of assets recognized in the accompanying consolidated statements of financial position measured at fair value on a recurring basis, except those measured at cost or by using Net Asset Value (NAV) per share as a practical expedient as identified in the following, as of June 30, 2025:

	Fair Value Measurements Using				Investments Measured at NAV (A)
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)			
Fair Value					
Investments and Interest in					
Assets at Community Foundations					
Common stock	\$ 24,248,618	\$ 24,248,618	\$ -	\$ -	-
Corporate bonds	22,721,299	-	22,721,299	-	-
Treasury bonds	10,118,139	-	10,118,139	-	-
Equity mutual funds	11,745,792	11,745,792	-	-	-
Fixed income mutual funds	8,794,340	8,794,340	-	-	-
Money market investments	5,436,807	5,436,807	-	-	-
Pooled debt and equity funds	1,684,766	-	1,684,766	-	-
U.S. government securities	743,779	-	743,779	-	-
Private equity funds	544,016	-	-	544,016	-
Total	\$ 86,037,556	\$ 50,225,557	\$ 35,267,983	\$ 544,016	
Beneficial interest in charitable trusts					
	\$ 18,535,509	\$ -	\$ 18,535,509	\$ -	

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statement of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2025.

Investments and Interests in Assets Held at Community Foundations

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include common stock, equity mutual funds, fixed income mutual funds and money market investments. For investments, other than alternative investments, the inputs used by the pricing service to determine fair value may include one, or a combination of, observable inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data market research publications and are classified within Level 2 of the valuation hierarchy. These Level 2 securities include corporate bonds, treasury bonds, pooled debt and equity funds, and U.S. government securities.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE N INVESTMENTS AND OTHER FAIR VALUE MEASUREMENTS (CONTINUED)

Investments and Interests in Assets Held at Community Foundations (Continued)

For alternative investments that have sufficient activity or liquidity within the fund, fair value is determined using the net asset value (or its equivalent) provided by the fund. These alternative investments include pooled debt and equity funds, which are comprised of marketable securities and are valued based on the underlying market values of the securities. There are no liquidity restrictions on these funds. The value of certain other alternative investments is determined using net asset value (or its equivalent) as a practical expedient. These alternative investments include a hedge fund of funds and private equity funds.

Beneficial Interest in Charitable Trusts

Fair value is estimated at the present value of the future distributions expected to be received approximated by the fair value of the underlying assets in these trusts, which are comprised of marketable securities. Due to the nature of the valuation inputs, the interest is classified within Level 2 of the hierarchy.

Alternative Investments

The fair value of alternative investments has been estimated using the net asset value per share of the investments as a practical expedient. Alternative investments held as of June 30, 2025 consist of the following:

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Private equity funds	\$ 544,016	\$ -	N/A	N/A

UWGC's alternative investments seek to achieve long-term returns commensurate with the long-term returns from a portfolio invested in the general equity markets, while experiencing volatility that is consistent with a portfolio invested in the general debt markets.

NOTE O ENDOWMENT

UWGC's endowment consists of approximately 125 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence of donor-imposed restrictions.

UWGC's governing body has interpreted the State of Ohio Uniform Management of Institutional Funds Act (SPMIFA) as requiring 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.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE O ENDOWMENT (CONTINUED)

As a result of this interpretation, UWGC classifies as net assets with donor restriction to be held in perpetuity (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 donor-restricted endowment funds is classified as net assets with donor restriction until those amounts are appropriated for expenditure by UWGC in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, UWGC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of UWGC and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of UWGC
7. Investment policies of UWGC

The composition of net assets by type of endowment fund as of June 30, 2025 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 6,186,040	\$ 6,186,040
Board-designated endowment funds	<u>27,556,291</u>	<u>-</u>	<u>\$ 27,556,291</u>
Total endowment funds	<u>\$ 27,556,291</u>	<u>\$ 6,186,040</u>	<u>\$ 33,742,331</u>

On the consolidated statement of financial position, endowment funds are included in cash and cash equivalents, investments held in endowment, grants and other receivables, interest in assets at other foundations, and other current assets.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE O ENDOWMENT (CONTINUED)

Changes in endowment net assets for the year ended June 30, 2025 were:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of period	\$ 25,050,872	\$ 5,691,093	\$ 30,741,965
Investment return:			
Investment income	730,842	133,225	864,067
Net appreciation	2,509,605	590,587	3,100,192
Total investment return	3,240,447	723,812	3,964,259
Contributions	349,579	477,028	826,607
Appropriation of endowment assets for expenditure	(1,084,607)	(705,893)	(1,790,500)
Endowment net assets, end of period	<u>\$ 27,556,291</u>	<u>\$ 6,186,040</u>	<u>\$ 33,742,331</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level UWGC is required to retain as a fund of perpetual duration pursuant to donor stipulation. No deficiencies of this nature are reported as of June 30, 2025.

UWGC has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds UWGC must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowment funds. Under UWGC's policies, endowment assets are invested in a manner that is intended to produce results that exceed spending plus inflation while assuming a moderate level of investment risk. UWGC expects its endowment funds to provide an average rate of return of approximately 8% over time. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, UWGC relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). UWGC targets a diversified asset grant that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

UWGC has a spending policy of appropriating for expenditures each year of up to 5% of its endowment fund's average fair value over the prior 12 quarters through the year-end preceding the year in which expenditure is planned. In establishing this policy, UWGC considered the long-term expected return on its endowment. Accordingly, over the long term, UWGC expects the current spending policy to allow its endowment to grow at an average of 3% annually. This is consistent with UWGC's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Consolidated Financial Statements (Continued)

NOTE P CONCENTRATIONS

Contributions from three corporate donors and their employees were approximately 43% of total contribution revenue in the year ended June 30, 2025.

NOTE Q CONTINGENCIES

UWGC is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position, change in net assets and cash flows of UWGC.

NOTE R SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 26, 2026, which is the date the consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Consolidating Statement of Financial Position June 30, 2025

	UWGC				UWGC Foundation				Eliminating Entries		Consolidated Totals				
	Without Donor Restrictions		With Donor Restrictions		Without Donor Restrictions		With Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions		With Donor Restrictions		
	Operating	Custodial	Operating	Custodial	Operating	Custodial	Operating	Custodial	Operating	Custodial	Operating	Custodial	Operating	Custodial	Totals
Assets															
Cash and cash equivalents	\$ 3,308,958	\$ 2,588,256	\$ 3,741,967		\$ 195,258	\$ 833,062			\$ 3,504,216	\$ 2,588,256	\$ 4,575,029	\$ 10,667,501			
Certificate of deposit	259,830	-	-		-	-			259,830	-	-	259,830			
Contributions receivable	11,675,356	-	344,367		-	-			11,675,356	-	344,367	12,019,723			
Less allowance for uncollectible	(3,666,000)	-	-		-	-			(3,666,000)	-	-	(3,666,000)			
Grants and other receivables	1,335,562	-	-		183,283	-			945,634	-	-	945,634			
Investments	53,391,468	-	-		-	-			53,391,468	-	-	53,391,468			
Investments held in endowment	-	-	-		25,608,444	5,352,978			25,608,444	-	-	5,352,978	30,961,422		
Beneficial interest in charitable trusts	-	-	871,667		-	17,663,842			-	-	-	18,535,509	18,535,509		
Interest in assets at other foundations	-	-	-		1,684,666	-			1,684,666	-	-	1,684,666			
Other current assets	380,851	-	-		306,540	6,592			687,391	-	6,592	693,983			
Notes receivable	146,132	-	-		-	-			146,132	-	-	146,132			
Land, buildings and equipment, net	12,237,806	-	-		-	-			12,237,806	-	-	12,237,806			
Total assets	\$ 79,069,963	\$ 2,588,256	\$ 4,958,001		\$ 27,978,191	\$ 23,856,474			\$ (573,211)	\$ -		\$ 106,474,943	\$ 2,588,256	\$ 28,814,475	\$ 137,877,674
Liabilities and Net Assets															
Liabilities															
Grants and designations payable	\$ 18,670,588	\$ -	\$ -		\$ 421,900	\$ -			\$ 18,519,277	\$ -	\$ -	\$ 18,519,277			
Accounts payable	788,977	-	-		-	-			788,977	-	-	788,977			
Accrued expenses	426,506	-	-		-	-			426,506	-	-	426,506			
Other liabilities	962,332	2,588,256	-		-	-			962,332	2,588,256	-	3,550,588			
Total liabilities	20,848,403	2,588,256	-		421,900	-			(573,211)	-		20,697,092	2,588,256	-	23,285,348
Net Assets															
Without donor restrictions															
Undesignated	36,120,947	-	-		-	-			36,120,947	-	-	36,120,947			
Designated by the Board	22,100,613	-	-		27,556,291	-			49,656,904	-	-	49,656,904			
Total without donor restrictions	58,221,560	-	-		27,556,291	-			85,777,851	-		85,777,851			
With donor restrictions															
Perpetual in nature	-	-	871,667		-	7,290,904			-	-	-	8,162,571	8,162,571		
Purpose restrictions	-	-	4,033,695		-	15,575,436			-	-	-	19,609,131	19,609,131		
Time-restricted for future periods	-	-	52,639		-	990,134			-	-	-	1,042,773	1,042,773		
Total with donor restrictions	-	-	4,958,001		-	23,856,474			-	-		28,814,475	28,814,475		
Total net assets	58,221,560	-	4,958,001		27,556,291	23,856,474			-	-		85,777,851	-	28,814,475	114,592,326
Total liabilities and net assets	\$ 79,069,963	\$ 2,588,256	\$ 4,958,001		\$ 27,978,191	\$ 23,856,474			\$ (573,211)	\$ -		\$ 106,474,943	\$ 2,588,256	\$ 28,814,475	\$ 137,877,674

See Independent Auditors' Report

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Consolidating Statement of Activities Year Ended June 30, 2025

	UWGC		UWGC Foundation		Eliminating Entries		Consolidated Totals		
	Without Donor Restrictions	With Donor Restrictions	Totals						
Public Support and Revenue									
Gross campaign results (2025/2026)	\$ 974,700	\$ 11,405	\$ -	\$ -	\$ -	\$ -	\$ 974,700	\$ 11,405	\$ 986,105
Less donor designations	(58,931)	-	-	-	-	-	(58,931)	-	(58,931)
Net campaign revenue (2025/2026)	915,769	11,405	-	-	-	-	915,769	11,405	927,174
Gross campaign results (2024/2025)	24,608,083	1,197,216	-	-	(402,950)	-	24,205,133	1,197,216	25,402,349
Less donor designations	(3,367,391)	-	-	-	-	-	(3,367,391)	-	(3,367,391)
Change in provision for uncollectible	(2,248,451)	-	-	-	-	-	(2,248,451)	-	(2,248,451)
Net campaign revenue (2024/2025)	18,992,241	1,197,216	-	-	(402,950)	-	18,589,291	1,197,216	19,786,507
Gross campaign results (2023/2024)	1,227,548	515,507	-	-	-	-	1,227,548	515,507	1,743,055
Less donor designations	(127,404)	-	-	-	-	-	(127,404)	-	(127,404)
Change in provision for uncollectible	613,300	-	-	-	-	-	613,300	-	613,300
Net campaign revenue (2023/2024)	1,713,444	515,507	-	-	-	-	1,713,444	515,507	2,228,951
Gross campaign results (2022/2023)	148,520	-	-	-	-	-	148,520	-	148,520
Change in provision for uncollectible	(5,889)	-	-	-	-	-	(5,889)	-	(5,889)
Net campaign revenue (2022/2023)	142,631	-	-	-	-	-	142,631	-	142,631
Other contributions	696,767	891,800	349,578	477,029	(12,789)	(837,400)	1,033,556	531,429	1,564,985
Designations from other United Ways	331,122	-	-	-	-	-	331,122	-	331,122
Service fees	295,079	1,000	-	-	(32,116)	-	262,963	1,000	263,963
Grants and contracts	9,986,245	1,644,712	-	-	-	-	9,986,245	1,644,712	11,630,957
Net investment return	2,255,662	-	730,842	133,225	-	-	2,986,504	133,225	3,119,729
Net realized gain on investments	88,702	-	495,321	121,228	-	-	584,023	121,228	705,251
Net unrealized gain on investments	1,771,366	-	2,014,284	469,359	-	-	3,785,650	469,359	4,255,009
Fair value change of beneficial interest in charitable trusts	-	54,351	-	970,996	-	-	-	1,025,347	1,025,347
Donated materials and services	61,089	-	-	-	-	-	61,089	-	61,089
Miscellaneous income (expense)	325,435	-	(23,674)	-	-	-	301,761	-	301,761
Net assets released from restrictions	4,759,884	(4,759,884)	705,893	(705,893)	(837,400)	837,400	4,628,377	(4,628,377)	-
Total Public Support and Revenue	42,335,436	(443,893)	4,272,244	1,465,944	(1,285,255)	-	45,322,425	1,022,051	46,344,476
Expenses									
Program services									
Grants and distributions	35,135,293	-	1,714,811	-	(1,253,139)	-	35,596,965	-	35,596,965
Less donor designations	(3,553,726)	-	-	-	-	-	(3,553,726)	-	(3,553,726)
Net grants and distributions	31,581,567	-	1,714,811	-	(1,253,139)	-	32,043,239	-	32,043,239
Other program services	8,245,369	-	52,014	-	-	-	8,297,383	-	8,297,383
Total program services	39,826,936	-	1,766,825	-	(1,253,139)	-	40,340,622	-	40,340,622
Supporting services	7,461,983	-	-	-	(32,116)	-	7,429,867	-	7,429,867
Total Expenses	47,288,919	-	1,766,825	-	(1,285,255)	-	47,770,489	-	47,770,489
Change in Net Assets	(4,953,483)	(443,893)	2,505,419	1,465,944	-	-	(2,448,064)	1,022,051	(1,426,013)
Net Assets at Beginning of Period	63,175,043	5,401,894	25,050,872	22,390,530	-	-	88,225,915	27,792,424	116,018,339
Net Assets at End of Period	\$ 58,221,560	\$ 4,958,001	\$ 27,556,291	\$ 23,856,474	\$ -	\$ -	\$ 85,777,851	\$ 28,814,475	\$ 114,592,326

See Independent Auditors' Report

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Schedule of Expenditures of Federal Awards Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass- through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Health and Human Services:			
<i>Passed through Indiana Family and Social Services Administration</i> Every Student Succeeds Act/Preschool Development Grants and Child Care and Development Block Grant	93.434, 93.575	00000000000000000000083381	<u>\$ 13,180</u>
<i>Passed through United Way of Central Ohio</i>			
Temporary Assistance for Needy Families (TANF)	93.558	PSC 101 55X034	<u>217,908</u>
<i>Passed through Ohio Department of Jobs and Family Services</i>			
Temporary Assistance for Needy Families (TANF)	93.558	G-2425-17-0203	<u>106,772</u>
Total 93.558			<u>324,680</u>
<i>Passed through Ohio Children's Trust Fund</i>			
Community-Based Child Abuse Prevention	93.590	G-2425-22-0101	<u>410,063</u>
Total U.S. Department of Health and Human Services:			
U.S. Department of Homeland Security:			
Emergency Food and Shelter National Board Program	97.024	N/A	<u>5,304</u>
U.S. Department of the Treasury:			
Volunteer Income Tax Assistance (VITA) Matching Grant	21.009	N/A	<u>132,172</u>
<i>Passed through Board of County Commissioners, Hamilton County, Ohio</i>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	<u>520,048</u>
<i>Passed through Southeastern Indiana Regional Planning Commission and Family Services</i>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	<u>83,918</u>
Total 21.027			<u>603,966</u>
Emergency Capital Investment Program			
	21.030	N/A	<u>1,321</u>
Total U.S. Department of Treasury			
Total expenditures of federal awards			<u>\$ 1,490,686</u>

See Independent Auditors' Report

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2025

NOTE A BASIS OF PRESENTATION

The schedule of expenditures of federal awards includes the federal grant activity of United Way of Greater Cincinnati and Subsidiary for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented on this schedule may differ from those amounts presented in, or used in, the preparation of the basic consolidated financial statements.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C INDIRECT COST RATE

United Way of Greater Cincinnati and Subsidiary has elected not to use the de minimis cost rate of up to 15% allowed under Uniform Guidance.

NOTE D SUBRECIPIENT CONSIDERATION

Under the Department of the Treasury definition of subrecipient, UWGC provided no federal awards to subrecipients.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
United Way of Greater Cincinnati and Subsidiary
Cincinnati, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of United Way of Greater Cincinnati (a nonprofit organization) and Subsidiary, which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statement of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 26, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered United Way of Greater Cincinnati and Subsidiary's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Way of Greater Cincinnati and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of the United Way of Greater Cincinnati and Subsidiary's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way of Greater Cincinnati and Subsidiary's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



January 26, 2026
Cincinnati, Ohio

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

To the Board of Directors
United Way of Greater Cincinnati and Subsidiary
Cincinnati, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited United Way of Greater Cincinnati and Subsidiary's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of United Way of Greater Cincinnati and Subsidiary's major federal programs for the year ended June 30, 2025. United Way of Greater Cincinnati and Subsidiary's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, United Way of Greater Cincinnati and Subsidiary complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of United Way of Greater Cincinnati and Subsidiary and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of United Way of Greater Cincinnati and Subsidiary's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to United Way of Greater Cincinnati and Subsidiary's federal programs.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE
(CONTINUED)**

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on United Way of Greater Cincinnati and Subsidiary's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about United Way of Greater Cincinnati and Subsidiary's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 United Way of Greater Cincinnati and Subsidiary's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of United Way of Greater Cincinnati and Subsidiary's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of United Way of Greater Cincinnati and Subsidiary's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE
(CONTINUED)**

Report on Internal Control Over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



January 26, 2026
Cincinnati, Ohio

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Schedule of Findings and Questioned Costs Year Ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes None noted

Noncompliance material to financial statements noted? _____ Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes None noted

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? _____ Yes No

Identification of Major Programs

FALN	Name of Federal Programs or Clusters
21.027	Coronavirus State and Local Fiscal Recovery Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ Yes No

Section II – Financial Statement Findings

No matters are reportable

Section III – Federal Award Findings and Questioned Costs

No matters are reportable

UNITED WAY OF GREATER CINCINNATI AND SUBSIDIARY

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

Reference Number	Summary of Finding	Status
No matters are reportable		