

Consolidated Financial Statements and  
Report of Independent Certified Public  
Accountants

**United Way Worldwide and Subsidiaries**

December 31, 2024 and 2023

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Board of Trustees  
United Way Worldwide and Subsidiaries

**Opinion**

We have audited the consolidated financial statements of United Way Worldwide and Subsidiaries (the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, 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 of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of management for the financial statements**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 the Organization'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.

*Grant Thornton LLP*

Arlington, Virginia  
May 30, 2025

**United Way Worldwide and Subsidiaries**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**December 31,  
(in thousands)**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 11,491	\$ 5,424
Custodial funds (Notes 2 and 3)	8,757	8,620
Member United Way receivables, net (Note 4)	2,342	1,769
Contributions receivable, net (Note 5)	3,873	5,216
Investments, at fair value (Note 2)	13,574	21,425
Investments, at cost (Note 2)	5,388	5,388
Property and equipment, net (Note 6)	20,213	20,899
Other assets (Note 7)	2,454	2,322
	<hr/>	<hr/>
Total assets	\$ 68,092	\$ 71,063
	<hr/>	<hr/>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 2,958	\$ 2,515
Custodial funds (Notes 2 and 3)	8,757	8,620
Deferred revenue (Note 1)	4,836	5,072
Pension benefits liability (Note 9)	2,715	4,449
Postretirement benefits liability (Note 9)	765	840
Other liabilities	146	351
	<hr/>	<hr/>
Total liabilities	20,177	21,847
	<hr/>	<hr/>
<b>Net assets</b>		
Without donor restrictions (Notes 10 and 14)	23,739	30,717
With donor restrictions (Notes 11 and 14)	24,176	18,499
	<hr/>	<hr/>
Total net assets	47,915	49,216
	<hr/>	<hr/>
Total liabilities and net assets	\$ 68,092	\$ 71,063
	<hr/>	<hr/>

The accompanying notes are an integral part of these consolidated financial statements.

**United Way Worldwide and Subsidiaries**

**CONSOLIDATED STATEMENT OF ACTIVITIES**

**Year ended December 31, 2024**  
(in thousands)

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Operating revenues</b>			
Public support and other revenues			
Membership support, net	\$ 28,811	\$ -	\$ 28,811
Contributions	18,472	23,488	41,960
Contributed nonfinancial assets	1,616	-	1,616
Program service fees	705	-	705
Investment return, net	636	170	806
Conferences	205	709	914
Miscellaneous and other	141	-	141
Net assets released from restrictions (Note 12)	18,690	(18,690)	-
<b>Total revenues</b>	<b>69,276</b>	<b>5,677</b>	<b>74,953</b>
<b>Expenses</b>			
Program services			
Global network advancement	32,245	-	32,245
Donor advised giving	11,091	-	11,091
Brand strategy and marketing	11,979	-	11,979
Other program services	4,852	-	4,852
<b>Total program services</b>	<b>60,167</b>	<b>-</b>	<b>60,167</b>
Supporting services			
General and administrative	10,402	-	10,402
Fundraising	6,781	-	6,781
<b>Total supporting services</b>	<b>17,183</b>	<b>-</b>	<b>17,183</b>
<b>Total expenses</b>	<b>77,350</b>	<b>-</b>	<b>77,350</b>
<b>Change in net assets from operations</b>	<b>(8,074)</b>	<b>5,677</b>	<b>(2,397)</b>
<b>Non-operating items</b>			
Pension-related changes other than net periodic pension cost (Note 9)	1,096	-	1,096
<b>Total non-operating items</b>	<b>1,096</b>	<b>-</b>	<b>1,096</b>
<b>CHANGES IN NET ASSETS</b>	<b>(6,978)</b>	<b>5,677</b>	<b>(1,301)</b>
<b>Net assets, beginning of year</b>	<b>30,717</b>	<b>18,499</b>	<b>49,216</b>
<b>Net assets, end of year</b>	<b>\$ 23,739</b>	<b>\$ 24,176</b>	<b>\$ 47,915</b>

The accompanying notes are an integral part of this consolidated financial statement.

**United Way Worldwide and Subsidiaries**

**CONSOLIDATED STATEMENT OF ACTIVITIES**

**Year ended December 31, 2023**  
(in thousands)

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Operating revenues</b>			
Public support and other revenues			
Membership support, net	\$ 27,918	\$ -	\$ 27,918
Contributions	12,078	9,048	21,126
Program service fees	1,349	175	1,524
Investment return, net	1,370	634	2,004
Conferences	560	-	560
Miscellaneous and other	301	-	301
Net assets released from restrictions (Note 13)	14,519	(14,519)	-
<b>Total revenues</b>	<b>58,095</b>	<b>(4,662)</b>	<b>53,433</b>
<b>Expenses</b>			
Program services			
Global network advancement	33,406	-	33,406
Donor advised giving	6,336	-	6,336
Brand strategy and marketing	8,289	-	8,289
Other program services	5,220	-	5,220
<b>Total program services</b>	<b>53,251</b>	<b>-</b>	<b>53,251</b>
Supporting services			
General and administrative	11,369	-	11,369
Fundraising	1,926	-	1,926
<b>Total supporting services</b>	<b>13,295</b>	<b>-</b>	<b>13,295</b>
<b>Total expenses</b>	<b>66,546</b>	<b>-</b>	<b>66,546</b>
<b>Change in net assets from operations</b>	<b>(8,451)</b>	<b>(4,662)</b>	<b>(13,113)</b>
<b>Non-operating items</b>			
Pension-related changes other than net periodic pension cost (Note 9)	642	-	642
Other adjustments	-	(11)	(11)
<b>Total non-operating items</b>	<b>642</b>	<b>(11)</b>	<b>631</b>
<b>CHANGES IN NET ASSETS</b>	<b>(7,809)</b>	<b>(4,673)</b>	<b>(12,482)</b>
<b>Net assets, beginning of year</b>	<b>38,526</b>	<b>23,172</b>	<b>61,698</b>
<b>Net assets, end of year</b>	<b>\$ 30,717</b>	<b>\$ 18,499</b>	<b>\$ 49,216</b>

The accompanying notes are an integral part of this consolidated financial statement.

United Way Worldwide and Subsidiaries

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

Year ended December 31, 2024  
(in thousands)

	Salaries, Employee Benefits and Taxes	Professional Fees, Contract Services and Other Expenses	Conferences, Travel and Staff Development	Scholarships, Grants and Awards	Occupancy, Telephone, Shipping and Supplies	Depreciation and Amortization	Total Expenses
<b>Program services</b>							
Global network advancement	\$ 12,958	\$ 5,300	\$ 1,086	\$ 12,003	\$ 561	\$ 337	\$ 32,245
Donor advised giving	300	163	-	10,628	-	-	11,091
Brand strategy and marketing	4,714	6,459	455	4	183	164	11,979
Other program services	2,458	1,464	265	290	163	212	4,852
Total program services	20,430	13,386	1,806	22,925	907	713	60,167
<b>Supporting services</b>							
General and administrative	6,059	2,857	882	-	294	310	10,402
Fundraising	4,543	1,263	546	-	211	218	6,781
Total supporting services	10,602	4,120	1,428	-	505	528	17,183
Total expenses	<u>\$ 31,032</u>	<u>\$ 17,506</u>	<u>\$ 3,234</u>	<u>\$ 22,925</u>	<u>\$ 1,412</u>	<u>\$ 1,241</u>	<u>\$ 77,350</u>

The accompanying notes are an integral part of this consolidated financial statement.



United Way Worldwide and Subsidiaries

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

Year ended December 31, 2023  
(in thousands)

	Salaries, Employee Benefits and Taxes	Professional Fees, Contract Services and Other Expenses	Conferences, Travel and Staff Development	Scholarships, Grants and Awards	Occupancy, Telephone, Shipping and Supplies	Depreciation and Amortization	Total Expenses
<b>Program services</b>							
Global network advancement	\$ 13,114	\$ 7,710	\$ 682	\$ 10,014	\$ 1,406	\$ 480	\$ 33,406
Donor advised giving	169	228	2	5,881	49	7	6,336
Brand strategy and marketing	3,863	2,477	1,448	8	326	167	8,289
Other program services	2,835	1,660	132	87	361	145	5,220
Total program services	19,981	12,075	2,264	15,990	2,142	799	53,251
<b>Supporting services</b>							
General and administrative	4,795	6,015	163	1	177	218	11,369
Fundraising	1,062	487	68	-	35	274	1,926
Total supporting services	5,857	6,502	231	1	212	492	13,295
Total expenses	<u>\$ 25,838</u>	<u>\$ 18,577</u>	<u>\$ 2,495</u>	<u>\$ 15,991</u>	<u>\$ 2,354</u>	<u>\$ 1,291</u>	<u>\$ 66,546</u>

The accompanying notes are an integral part of this consolidated financial statement.

**United Way Worldwide and Subsidiaries**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**Years ended December 31,  
(in thousands)**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Cash received from donors	\$ 38,541	\$ 22,551
Cash received from Member United Ways	27,989	32,188
Cash received from customers	1,540	3,796
Cash received from sale of donated stocks	3,115	-
Interest and dividend received	727	871
Cash paid to vendors	(23,943)	(20,810)
Cash paid for payroll, employee benefits, taxes, and voluntary deductions	(31,599)	(27,380)
Grants paid	(11,221)	(7,920)
Cash paid to Member United Ways	(10,436)	(11,787)
Interest paid	-	(20)
Investment expenses paid	(52)	(69)
	<u>(5,339)</u>	<u>(8,580)</u>
Net cash used in operating activities		
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(554)	(303)
Proceeds from sale of investments	19,496	21,820
Purchase of investments	(7,536)	(14,322)
	<u>11,406</u>	<u>7,196</u>
Net cash provided by investing activities		
<b>Cash flows from financing activities:</b>		
Principal payment on promissory notes	-	(640)
	<u>-</u>	<u>(640)</u>
Net cash used in financing activities		
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>6,067</b>	<b>(2,024)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,424</b>	<b>7,448</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 11,491</b>	<b>\$ 5,424</b>

The accompanying notes are an integral part of these consolidated financial statements.

**United Way Worldwide and Subsidiaries**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Overview***

For 138 years, the United Way network has served as a vehicle for volunteers, donors, partners and advocates who seek to change lives and communities through service, collaboration and impact. As one of the world's largest privately funded charities, the United Way network serves 95% of U.S. communities and 36 countries and territories. It impacts more than 48 million people every year through programs and initiatives that advance health, youth opportunity, financial security, and community resilience. In 2024, United Way was the mission of choice for more than 1.5 million volunteers, 5 million donors, and 64,000 corporate partners in more than tens of thousands of communities worldwide.

United Way Worldwide (UWW or the Organization) is the network's global leadership organization, based in Alexandria, Virginia and organized under the New York State nonprofit statute. UWW seeks to support the network in advancing the collective mission of United Way to improve lives by mobilizing the caring power of communities around the world. UWW provides support for the global network in key programmatic areas of brand stewardship, global fundraising at scale, advocacy and public policy, and leadership development and training. UWW is largely funded by membership dues from the United Way network. These local, statewide, regional, and country United Ways across the world are autonomous charitable organizations, have independent boards and issue separate financial statements, which are not included in the accompanying financial statements.

UWW maintains registered offices in Geneva, Switzerland and Shanghai, China. Additionally, United Way Worldwide Asia Limited (UWW Asia) is a wholly owned tax-exempt subsidiary of UWW incorporated in Hong Kong on January 19, 2010, with a mission to support UWW's work in the Asia Pacific Region of the world.

***Organization Structure***

UWW's operational structure includes the following program and supporting services, which are included in the accompanying consolidated statement of activities:

***Program Services***

**Global Network Advancement**

The Global Network Advancement Team provides governance, resource development, program and capacity building support, member grant distribution services, and training to United Way members around the world.

**Donor Advised Giving**

The United Way Worldwide Donor Advised Giving Program facilitates grants to domestic and international organizations, based upon recommendations by program coordinators that meet programmatic or geographic interest of both the donors and UWW.

**Brand Strategy and Marketing**

The Brand Strategy and Marketing team provides support in all brand identity to United Way members and consistency matters including marketing, advertising and other promotional opportunities designed to promote individual participation in advancing the common good and to strengthen trust in the United Way brand around the world.

## United Way Worldwide and Subsidiaries

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023  
\$ Amounts in Thousands

#### Other Program Services

Other Program Services include the production and delivery of training programs and learning opportunities for United Way volunteers, staff and partners; management of national fiscal agent relationships with a number of for-profit companies that provide workforce campaign pledge processing; and providing licensing rights to select vendors to sell promotional products bearing the United Way brand and trademarks.

#### **Supporting Services**

##### General and Administrative

General and Administrative services include the functions necessary to secure proper administrative functioning of UWW's governing board, to maintain an effective working environment, and to manage compliance, technology, executive and financial responsibilities of UWW.

##### Fundraising

Fundraising includes the functions necessary to secure financial support for the work of UWW and its members.

#### **Basis of Accounting**

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Cash Equivalents**

Cash equivalents are liquid investments with original maturities at the date of purchase of three months or less and consist primarily of money market funds.

#### **Custodial Funds**

In 1983, a national board was convened to oversee the distribution of funds through the Emergency Food and Shelter Program (EFSP), a separate Congressionally authorized program of the Department of Homeland Security's Federal Emergency Management Agency (FEMA), and UWW was appointed fiscal agent. As the fiscal agent, UWW is the custodian of the funds and is responsible for the administration and disbursement of grants as directed by the national board. EFSP is not consolidated into the Organization's financial statements. Since 1983, U.S. Congress has allocated more than \$6.7 billion to FEMA to provide emergency food and shelter to needy individuals throughout the country. UWW charged certain administrative expenses to EFSP totaling \$434 and \$347 for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, an undistributed balance of \$8,355 and \$7,917, respectively, was included in the custodial funds with a corresponding liability in the accompanying consolidated statements of financial position.

UWW acted as trustee for a planned giving investment program, called a Pooled Income Fund (PIF), where participants are entitled to income distributions. The PIF was held for residents of Florida, New Jersey, and Pennsylvania. During 2024, the PIF was released and transferred to a local United Way upon request of the donor of the undersigned PIF. The fair value of the PIF was \$126 at December 31, 2023.

In addition, UWW acts as the trustee for a planned giving investment program called the Charitable Gift Annuity Program (CGA), where annuity payments are made to the named annuitant(s) for life and any residual value is restricted by the donor to benefit a member United Way. The CGA is currently held for

## United Way Worldwide and Subsidiaries

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023  
\$ Amounts in Thousands

residents of California, Connecticut, Florida, Massachusetts, Maryland, Missouri, New York, North Carolina, New Mexico, Ohio, Pennsylvania, South Carolina, Texas, Virginia, and Wisconsin. As of December 31, 2024 and 2023, the fair value of the CGA pool was \$392 and \$252, respectively.

UWW also maintains two fiscal agent agreements with third parties on behalf of its members to provide donation processing services related to certain employee giving campaigns (federated fundraising campaigns). Because these campaigns are considered "fundraising activity" of UWW's members, UWW records no revenue from the transactions but does record collected funds, not yet distributed by the third-party processors, as a custodial asset and custodial liability. As of December 31, 2024 and 2023, the fund's fair value of \$10 and \$322, respectively, is included in custodial funds.

As of December 31, 2024 and 2023, UWW's custodial funds totaled \$8,757 and \$8,620, respectively, and were included in the custodial funds with a corresponding liability in the accompanying consolidated statements of financial position.

#### ***Member United Way Receivables***

Member United Way receivables consist of amounts due from UWW members for the use of the name and service marks owned by UWW, attending regional and national conferences, and other services provided by UWW. An allowance for uncollectible member United Way receivables is provided based on management's judgement of collectability based on known factors. Member United Way receivables are written off if reasonable collection efforts prove unsuccessful or after revocation of membership.

#### ***Contributions Receivable***

Contributions receivable consist of unconditional promises to give and are recorded in the year the promise is made. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. An allowance for uncollectible contributions receivable is provided based on management's judgment, including such factors as prior collection history, subsequent collections, type of contribution, and nature of fundraising activity.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. The interest rate used in computing the discount of the estimated future cash flows ranged from 2.25% to 4.82% for pledges received in 2024 and 2023. The discount will be recognized as contributions revenue in future fiscal years as the discount is amortized over the duration of the contributions.

Conditional promises to give are not included as revenue until the conditions are substantially met.

#### ***Investments***

Investments are reported at fair value. Unrealized and realized gains and losses are included in the consolidated statements of activities. Investment expenses, such as custodial, commission, and investment advisory fees, are netted against investment income (loss) in the consolidated statements of activities.

Investment in the Foreign Limited Partnership is accounted for under the cost method of accounting. The partnership has the primary objective of making venture capital investments in India and other Asian countries. This investment was acquired as a contribution, the Organization recorded the investment at market value at the time of contribution, based on an independent third-party market valuation. The investment is carried at cost and annually valued for impairment based on valuation methods typical for this

United Way Worldwide and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023  
\$ Amounts in Thousands

type of investment. There was no impairment loss on the investment at cost at December 31, 2024 and 2023.

***Property and Equipment***

Property and equipment are recorded at cost. The Organization capitalizes expenditures for property and equipment in excess of the threshold specified below. Depreciation and amortization are calculated using the straight-line method over the following useful lives:

Building	35 years
Building improvements	5 - 15 years
Furniture, equipment, auto, and software	2 - 15 years
Capitalization threshold	\$5 to \$10

When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred. Costs associated with construction in progress are held until the asset is placed in service, at which point the asset is transferred out of construction in progress and depreciated over its estimated useful life.

***Other Assets***

Other assets include amounts due from others on the sale of services/goods, prepaid expenses, the cash surrender value of life insurance contracts, and the plan assets of UWW's deferred compensation plan (which are stated at net asset value, which approximates the fair value).

***Deferred Revenue***

Deferred revenues for training credits represent the balance of credits against dues paid by UWW Members that are redeemed when members incur eligible costs for training programs or events approved by UWW. Revenues have been recognized as members utilized these credits. These credits were subject to terms and any unused credits would be recognized as revenue when they expired. At the end of 2023, the Organization discontinued the program for issuance and use of these training credits in order to initiate new learning and development programming. The Organization has not yet determined when or how these unexpired credits will be redeemed in the future.

***Net Assets***

Net Assets without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board of Trustees (the Board) and/or management for general operating purposes. The Board designated a portion of net assets without donor restrictions for the endowment (an amount to be treated by management as if it were part of the donor restricted endowment).

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

reclassified as net assets without donor restriction and reported in the consolidated statement of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

***Endowment***

The Organization's donor restricted endowment consists of two funds, one established for the purpose of providing programs related to assisting elderly people, and the other established for the purpose of providing general operational support for the Organization. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

***Revenue Recognition***

UWW Membership Revenue

Membership revenue is recorded ratably over the calendar year membership term. Membership of UWW allows member United Ways to use the name and trademarks owned by UWW during the period of membership. Membership support is based on a formula tied to certain types of the member's annual revenue streams. If any member does not remit its annual membership support, the member's ability to utilize the United Way name and trademarks can be revoked.

***Functional Allocation of Expenses***

The consolidated statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of UWW are reported as expenses of those functional areas. A portion of general and administrative costs that benefit multiple functional areas (indirect costs) have been allocated across programs and other supporting services based on the proportion of full-time employee equivalents of a program or other supporting service versus the total organizational full-time employee equivalents.

***Interpretation of Relevant Law***

The Board of Trustees has determined that the New York Prudent Management of Institutional Funds Act (NY PMIFA), an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), applies to the Organization's endowment fund. UPMIFA provides guidance and authority to charitable organizations concerning the management and investment of funds held by those organizations, and UPMIFA imposes additional duties on those who manage and invest charitable funds. These duties provide additional protections for charities and also protect the interests of donors who want to see their contributions used wisely.

The Organization classifies as net assets with donor restrictions (a time restriction in perpetuity) the original value of the gifts donated to the donor restricted endowment and the original value of subsequent gifts to the donor restricted endowment. Investment income from the donor restricted endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the donor stipulated purpose within the standard of prudence prescribed by UPMIFA.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

***Investment Policy***

The fundamental investment objectives for investments are to ensure the safety and preservation of principal, meet liquidity needs, apply diversification and risk limits appropriate to the investment pools and achieve optimal net investment returns subject to risk tolerance, investment pool objectives and policy constraints. The asset pools in which the endowment funds are invested require current income, which is the minimum needed for expenses and prudent liquidity, growth of income for planning and execution of distributions, and capital growth for long-term growth and sustainability.

***Spending Policy***

In making expenditures from endowment funds, the Board of Trustees complies first with any restrictions or requirements in the gift instrument as to purpose and amount. Except as otherwise provided by the gift instrument, in making expenditures from endowment funds, the Board takes into account all relevant considerations including, but not limited to, the long- and short-term needs of the Organization in carrying out its purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. The Organization follows a spending policy that prescribes an annual analysis of the historic dollar value of the endowment funds with a general goal of annual appropriation from accumulated investment earnings equal to 5% of the three-year average fair value of the endowment corpus plus all accumulated but unappropriated earnings on the corpus. The Board has the discretion adjust the spending rate in any individual year; however, the rate should generally be in the range of 3% to 5% and is subject to the following limitations:

- a. The appropriation cannot exceed the net accumulated but unappropriated investment earnings.
- b. Appropriation of any amount greater than 7.0% of the three-year averages will require an affirmative vote of full Board of Trustees.
- c. Appropriation of any portion of the corpus of the Endowments will require an affirmative vote of 75% of the Board of Trustees.

***Underwater Endowment Funds***

The Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization complies with the NY PMIFA, an enacted version of UPMIFA, and has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

**Funds with Deficiencies**

From time to time, certain donor-restricted funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Organization has interpreted NY PMIFA to permit spending from underwater endowments in accordance with prudent measures required under the law.

There were no funds with deficiencies at December 31, 2024 and 2023, respectively.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and



**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
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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.

***Financial Instruments and Credit Risk***

UWW maintains its cash balances at several financial institutions which, at times, may exceed federally insured limits. At December 31, 2024 and 2023, UWW held \$10,372 and \$5,172 in uninsured cash and cash equivalents, respectively. UWW has not experienced any losses in such accounts and believes it is not exposed to significant credit risk on its cash and cash equivalents.

***Reclassification***

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations and change in net assets.

**NOTE 2 - INVESTMENTS**

Investments, at fair value, consist of the following at December 31:

	2024	2023
Corporate bonds	\$ 2,685	\$ 8,305
Equity securities	4,974	5,178
U.S. Treasury notes	3,672	6,618
Bond funds	2,243	1,324
Total	\$ 13,574	\$ 21,425

The Organization used methods and assumptions in determining fair value of its investments and custodial funds consistent with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements*, which defines fair value as 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 (exit price). The Organization utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Organization primarily applies the market approach for recurring fair value measurements and endeavors to utilize the best available information.

FASB ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to measurements involving significant unobservable inputs (Level 3).

At December 31, 2024 and 2023, all investments were measured as Level 1 securities.

The Organization also had an investment accounted for on a cost basis in a Foreign Limited Partnership which totaled \$5,388 as of December 31, 2024 and 2023.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

**NOTE 3 - CUSTODIAL FUNDS**

Custodial funds, at fair value, consist of the following at December 31:

	2024	2023
Cash equivalents	\$ 8,396	\$ 8,258
Equity securities	109	122
U.S. Treasury notes	252	164
Corporate Bonds	-	76
	<hr/>	<hr/>
Total	\$ 8,757	\$ 8,620
	<hr/>	<hr/>

**NOTE 4 - MEMBER UNITED WAY RECEIVABLES**

Member United Way receivables, net consist of the following at December 31:

	2024	2023
Member United Way receivables	\$ 2,664	\$ 2,720
Allowance for credit losses	(322)	(951)
	<hr/>	<hr/>
	\$ 2,342	\$ 1,769
	<hr/>	<hr/>

Bad debt expense for the years ended December 31, 2024 and 2023 were \$0 and \$276, respectively.

**NOTE 5 - CONTRIBUTIONS RECEIVABLE**

Contributions receivable, net consist of the following unconditional promises to give at December 31:

	2024	2023
Amounts due in		
Less than one year	\$ 1,355	\$ 2,839
One to five years	1,625	1,625
More than five years	2,500	2,625
	<hr/>	<hr/>
Total contributions receivable	5,480	7,089
Less: discount	(1,607)	(1,815)
Less: allowance for uncollectible pledges	-	(58)
	<hr/>	<hr/>
	\$ 3,873	\$ 5,216
	<hr/>	<hr/>

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
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**NOTE 6 - PROPERTY AND EQUIPMENT**

Property and equipment, net consist of the following at December 31:

	2024	2023
Land	\$ 2,102	\$ 2,102
Building and building improvements	41,909	41,639
Furniture, artwork, equipment, and technology	10,071	9,786
	<u>54,082</u>	<u>53,527</u>
Less: accumulated depreciation and amortization	<u>(33,869)</u>	<u>(32,628)</u>
	<u>\$ 20,213</u>	<u>\$ 20,899</u>

Depreciation expense totaled \$1,241 and \$1,291 for the years ended December 31, 2024 and 2023, respectively.

**NOTE 7 - OTHER ASSETS**

Other assets consist of the following at December 31:

	2024	2023
Accounts receivable, net of allowance for credit losses, \$8 and \$13, respectively	\$ 905	\$ 1,011
Prepaid expenses and deposits	572	403
Life insurance contracts and deferred compensation plan assets	976	908
	<u>\$ 2,454</u>	<u>\$ 2,322</u>

**NOTE 8 - DEBT**

***Investments in United Way Digital Holding, LLC (UWDH)***

On December 31, 2018, as part of a dissolution agreement for United Way Digital Holdings, LLC, UWW entered into promissory notes with 11 local United Way members, collectively totaling \$3,360. The promissory notes were unsecured and carried an interest rate of 2.72%. The promissory notes were fully settled at December 31, 2023. Interest paid on the above loans totaled \$20 for the year ending December 31, 2023.

**NOTE 9 - PENSION AND OTHER POSTRETIREMENT BENEFITS**

The Organization sponsors the Pension Plan of the United Way Worldwide (UWW Plan) and several other legacy plans. The Postretirement Plans include health care and life insurance benefits.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**

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***Reconciliation of Defined Benefit Plan Liabilities and Expenses to the Consolidated Financial Statements***

The following table presents a reconciliation of the liabilities recognized for UWW's pension benefits to the presentation in the consolidated financial statements at December 31:

	2024	2023
UWW Plan	\$ 2,538	\$ 4,256
Other Legacy Plans	178	193
Total recognized liability	<u>\$ 2,715</u>	<u>\$ 4,449</u>

The postretirement benefit plans obligations for the years ended December 31, 2024 and 2023 was \$765 and \$840, respectively.

The following table presents a reconciliation of the change in UWW's unrecognized gain (loss) recognized apart from expenses in the consolidated financial statements at December 31, 2024 and 2023:

	2024	2023
UWW Plan and Other Legacy Plans	\$ 1,096	\$ 672
Postretirement Plans	-	(30)
Total change in unrecognized gain recognized apart from expenses	<u>\$ 1,096</u>	<u>\$ 642</u>

***Pension Plan of United Way Worldwide***

The UWW Plan (UWW Plan) a qualified, noncontributory defined benefit pension plan was frozen in 2017 and new employees are precluded from participating in the UWW Plan.

The following is a summary of the funded status of the UWW Plan as of December 31, 2024 and 2023, and the key assumptions used by the UWW Plan's actuary. The calculations are performed based on measurement date of December 31, 2024 and 2023.

***Obligations and Funded Status***

	December 31, 2024	2023
Accumulated benefit obligation	\$ 33,911	\$ 35,948
Projected benefit obligation	33,911	35,948
Fair value of plan assets	<u>31,373</u>	<u>31,691</u>
Funded status - underfunded	<u>\$ (2,538)</u>	<u>\$ (4,256)</u>
Unfunded pension liability	<u>\$ 2,538</u>	<u>\$ 4,256</u>

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**

**\$ Amounts in Thousands**

Items not yet recognized as a component of net periodic pension cost during the years are as follows:

	December 31,	
	2024	2023
Net loss	\$ (6,396)	\$ (8,081)

UWW paid \$2,214 and \$2,280 in pension benefits during 2024 and 2023, respectively. UWW contributed \$939 to the defined benefit plan during 2024 and did not contribute to the plan during 2023.

***Net Periodic Benefit Cost***

Components of net periodic benefit cost recognized as expenses in the accompanying consolidated statements of activities for the years ended December 31:

	2024	2023
Interest cost	\$ 1,680	\$ 1,750
Expected return on assets	(1,369)	(1,344)
Amortization of loss	594	749
	\$ 905	\$ 1,155

***Assumptions***

Weighted-average assumptions used to determine the benefit obligation and net periodic pension benefit cost at December 31, 2024 and 2023 are as follows:

	2024	2023
Benefit obligation		
Discount rate	5.45%	4.85%
Net periodic benefit cost		
Discount rate	4.85%	5.10%
Expected return on plan assets	5.75%	5.75%

***Plan Assets***

The fair value of plan assets by asset class as of December 31, 2024 and 2023 were:

	2024	2023
Pooled separate accounts - bond funds	\$ 25,053	\$ 22,168
Pooled separate accounts - equity securities	6,320	9,523
Total	\$ 31,373	\$ 31,691

The fair value of plan assets, consisting of pooled separate accounts, qualified as Level 2 investments under the FASB ASC Topic 820 hierarchy. The units held in pooled separate accounts are valued at the unit values as reported by the UWW Plan trustee as of December 31, 2024 and 2023. The unit values are based upon the fair values of underlying investments as determined periodically by the UWW Plan trustee.

## United Way Worldwide and Subsidiaries

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

The UWW Plan assets are diversified to minimize risk and maximize returns. Asset allocations will change in accordance with funded attainment levels. As of December 31, 2024 and 2023, the targeted asset allocation was 45% equities and 55% fixed income based upon a funded status of greater than 80% based on fair value and the funding target liability on a full Internal Revenue Service (IRS) yield curve. The UWW Plan assets are managed by professional investment managers and are monitored by UWW's management and Finance Committee.

Expected amortization of the net actuarial gain during the year ended December 31, 2025 is \$532.

The following benefit payments are expected to be paid as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 2,750
2026	2,470
2027	2,530
2028	2,540
2029	2,630
2030-2034	<u>13,050</u>
Total	<u>\$ 25,970</u>

The UWW Plan is positioned to meet the minimum funding requirement as outlined in the Pension Protection Act of 2006. UWW continues to monitor the funded status of its defined benefit plan and to evaluate potential strategies that ensure the plan is managed in compliance with pension laws and regulations.

Other legacy plans consist of several non-qualified and noncontributory plans that have been frozen and are currently winding down. In aggregate the liability and estimated remaining costs are less than \$50.

#### ***United Way Worldwide Postretirement Benefit Plans***

##### Health Care and Life Insurance Benefits

UWW provides health care and life insurance benefits to certain retired employees (Postretirement Benefit Plan). Employees become eligible for benefits in meeting certain age and service requirements. Spouses of eligible participants are also eligible if they meet certain requirements. UWW's policy is to fund these benefits through premium reimbursements to participants. However, in conformity with FASB ASC Topic 715-60, *Employers' Accounting for Postretirement Benefits Other Than Pensions*, the cost of providing these benefits is to be accrued over the service period of the active employee group.

Certain employees retiring from UWW at or after attaining age 55 and with five years of credited service are entitled to postretirement life insurance and medical and dental benefit coverage. These benefits are subject to deductibles, co-payment provisions, and other limitations. This plan is frozen and not open to new participants.

UWW costs are frozen at 50% of the premium rate effective when the medical and dental plans were frozen; there are no future health care costs expected, beyond this rate.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
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***Other Life Insurance Benefits***

UWW provides a flat dollar amount of life insurance benefits to certain retired employees (Postretirement Benefit Plan) under the legacy Tri-State division. Employees become eligible for benefits by meeting certain age and service requirements. However, in conformity with FASB ASC Topic 715-60, and as amended by FASB ASC Topic 715-30, the cost of providing these benefits are to be accrued over the average remaining lifetime of the retiree group.

The following is a summary of the funded status of the Postretirement Plans as of December 31, 2024 and the key assumptions used by the actuary. The calculations are performed based on a measurement date of December 31, 2024 and 2023, respectively.

***Obligations and Funded Status***

	2024	2023
Accumulated benefit obligation	\$ 765	\$ 840
Funded status - underfunded	\$ (765)	\$ (840)
Unfunded postretirement benefit liability	\$ 765	\$ 840

Items not yet recognized as a component of net periodic postretirement benefit cost as of December 31, 2024 and 2023 are as follows:

	December 31,	
	2024	2023
Net gain	\$ 578	\$ 657
Prior service cost	-	-
Total	\$ 578	\$ 657

Contributions and benefit payments made during the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Employer contributions	\$ 113	\$ 175
Benefits paid	(113)	(175)

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**

**\$ Amounts in Thousands**

***Net Periodic Benefit Cost***

Components of net periodic postretirement benefit cost recognized as expenses in the accompanying consolidated statement of activities for the years ended December 31, 2024 and 2023 were:

	<u>2024</u>	<u>2023</u>
Service cost	\$ -	\$ -
Interest cost	38	45
Net amortization		
Amortization of prior service cost	-	-
Amortization of net gain	79	(88)
	<u>117</u>	<u>(43)</u>
Total	\$ <u>117</u>	\$ <u>(43)</u>

The discount rate applied for the years ending December 31, 2024 and 2023 were 5.4% and 5.1%, respectively.

***Plan Assets***

The Postretirement Plans are not funded. UWW makes contributions to the plans as benefit payments are made.

***Estimations of Future Activity***

Estimated amount to be amortized during the year ending December 31, 2025 is \$298.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 102
2026	98
2027	92
2028	87
2029	80
2030-2033	<u>312</u>
Total	\$ <u>771</u>

UWW does not expect to make contributions during 2025 to its Postretirement Plans.

***Other Employee Benefit Plans***

UWW 403(b) Plan

UWW offers a contributory defined contribution pension plan (Internal Revenue Code (IRC) Section 403(b)), that provides for employer matching contributions of the employee contributions (3.0% to 5.0% of annual salary depending on years of service) plus an additional contribution of 1.0% to 3.0% depending on years of service for those employees covered under the frozen UWW Plan. UWW's contributions to this plan were \$986 and \$967 for the years ended December 31, 2024 and 2023, respectively.



**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

**NOTE 10 - NET ASSETS WITHOUT DONOR RESTRICTIONS**

The Organization's net assets without donor restrictions is comprised of undesignated and board designated amounts for the following purposes at December 31:

	2024	2023
Undesignated	\$ 15,998	\$ 24,357
Board designated for Center on Aging	-	346
Board designated for Donor Advised Funds	3,989	4,159
Board designated for Endowment	3,752	1,855
	<hr/>	<hr/>
Total net assets without donor restrictions	\$ 23,739	\$ 30,717

***Board Designated for Center on Aging***

The amounts designated by the Board are to be used for the future cost of rental of office space for the Center on Aging, which is a specialized training and conference resource within the Mary Gates Learning Center. The funds totaling \$346 were fully utilized during the year ended December 31, 2024.

***Board Designated for Donor Advised Funds***

International Donor Advised Giving (IDAG)

The International Donor Advised Giving (IDAG) program is a component of net assets without donor restrictions and was established by the Board. Companies, foundations and individuals contribute to IDAG to achieve their philanthropic goals outside of the United States. IDAG provides comprehensive grant-making services to ensure compliance with both U.S. and international laws and UWW retains variance power of all contributions to IDAG.

The Board maintains a policy that all IDAG contributions are to be set aside for use in satisfying program grants and other program service costs. Contributions to the IDAG program were \$6,796 and \$4,177 for the years ended December 31, 2024 and 2023, respectively.

Grants (including program service expenses) made to organizations outside the United States from the IDAG program were \$10,352 and \$5,920 for the years ended December 31, 2024 and 2023, respectively, which are included in the consolidated statements of activities.

The balance of unexpended IDAG funds decreased by \$170 and decreased by \$1,744 during the years ended December 31, 2024 and 2023, respectively.

***Board Designated for Endowment***

UWW's Board has designated funds set aside to establish and maintain an endowment for the purpose of securing UWW's long-term financial viability and continuing to meet the needs of UWW. The endowment funds totaled \$3,752 and \$1,855 at December 31, 2024 and 2023, respectively. The board authorized \$1,713 and \$1,500 into the fund during the years ended December 31, 2024 and 2023, respectively.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

**NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods as follows at December 31, 2024 and 2023:

	2024	2023
Net assets with donor restrictions		
Subject to expenditure for specified purpose or period		
Impact, strategy, and innovation	\$ 6,298	\$ 4,030
U.S. network	6,322	5,158
International network	3,575	3,085
Capacity building	2,771	1,407
Other program services	631	395
	<hr/>	<hr/>
Total subject to expenditure for specified purpose or period	19,597	14,075
	<hr/>	<hr/>
Endowments subject to the Organization's spending policy and appropriation		
Investment in perpetuity, for which earnings are expendable to support		
Senior resource center	3,802	3,802
Accumulated, unappropriated earnings	777	622
	<hr/>	<hr/>
Total endowments subject to the Organization's spending policy and appropriation	4,579	4,424
	<hr/>	<hr/>
Total net assets with donor restrictions	\$ 24,176	\$ 18,499
	<hr/>	<hr/>

**NOTE 12 - NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. The net assets released from restrictions are as follows at December 31, 2024 and 2023:

	2024	2023
Purpose or period restrictions accomplished		
Impact, strategy, and innovation	\$ 9,161	\$ 3,560
U.S. network	7,657	8,119
International network	955	1,151
Capacity building	-	1,104
Other program services	917	585
	<hr/>	<hr/>
Net assets released from restrictions	\$ 18,690	\$ 14,519
	<hr/>	<hr/>

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
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**NOTE 13 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditure at December 31, 2024 and 2023 are as follows:

	2024	2023
Cash and cash equivalents	\$ 11,491	\$ 5,424
Investments	13,574	21,425
Member United Way receivables, net	2,342	1,769
Contributions receivable, net	3,873	5,216
Accounts receivable, net	905	1,011
	<hr/>	<hr/>
Total financial assets	32,186	34,845
	<hr/>	<hr/>
Less		
Amounts unavailable for general expenditures within one year, due to		
Restricted by donors with purpose restrictions and time restrictions	(19,597)	(14,075)
Restricted by donors in perpetuity	(4,579)	(4,424)
	<hr/>	<hr/>
Total amounts unavailable for general expenditures within one year	(24,176)	(18,499)
	<hr/>	<hr/>
Amounts unavailable without Board's approval		
Board designated for Endowment	(3,752)	(1,855)
Board designated for Center on Aging	-	(346)
Board designated for Donor Advised Funds	(3,989)	(4,159)
	<hr/>	<hr/>
Total amounts unavailable without Board's approval	(7,741)	(6,360)
	<hr/>	<hr/>
Total financial assets available for general expenditure within one year	\$ 269	\$ 9,986
	<hr/>	<hr/>

***Liquidity Management***

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of weekly requirements in short-term investments.

UWW's liquidity at December 31, 2023 included \$13.1 from a \$25M gift received in 2022. In 2024 UWW invested \$9.7M in a number of initiatives to build financial and organizational capacity at UWW for the benefit of the United Way network. UWW intends to continue to invest in resources that build capacity at UWW and the United Way network and anticipates its liquidity to strengthen over the next several years as its investments in its brand, revenue diversification strategies, and network resilience provide measurable returns.

Additionally, the Organization maintains an endowment that is available to fund the Organization upon the Boards approval.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

**NOTE 14 - ENDOWMENT FUNDS**

The Organization's donor restricted endowment consists of two funds, one established for the purpose of providing programs related to assisting elderly people, and the other established for the purpose of providing general operational support for the Organization. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The following table represents the changes in UWW's endowment funds during the year ended December 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,855	\$ 4,424	\$ 6,279
Contributions/additions	1,713	-	1,713
Investment return, net	184	622	806
Appropriations	-	(467)	(467)
Endowment net assets, end of year	<u>\$ 3,752</u>	<u>\$ 4,579</u>	<u>\$ 8,331</u>

The following table represents the changes in UWW's endowment funds during the year ended December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 186	\$ 3,900	\$ 4,086
Contributions/additions	1,500	-	1,500
Investment return, net	169	676	845
Appropriations	-	(152)	(152)
Endowment net assets, end of year	<u>\$ 1,855</u>	<u>\$ 4,424</u>	<u>\$ 6,279</u>

**NOTE 15 - DONATED SERVICES AND MATERIALS**

The Organization recognizes contribution revenue for certain donated services and materials received at the fair value of those items. There were no such donations for the years ended December 31, 2024 and 2023.

UWW maintains relationships with certain partnering organizations on behalf of the member United Ways to place United Way advertisements in public media on a pro-bono basis. UWW underwrites the cost to produce these Public Service Announcements (PSAs) that promote education, financial stability, and healthy living that features individuals who are involved in various member United Way community volunteer activities. The partnering organizations coordinate acquisition of the media space (television and radio airtime, newspaper and magazine print space, billboards, etc.) throughout the year at no cost to UWW. The combined value of the donated media space was estimated to be \$3,504 and \$3,282 for the years ending December 31, 2024 and 2023, respectively.

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

UWW does not record the value of the donated media mentioned above because the donations are received on behalf of and for the benefit of the member United Ways. UWW records in-kind donations of media space for which it receives future economic benefit.

In addition to donated PSAs, UWW receives from time to time, contributed non-financial assets from third parties that support programmatic activities as well as general and administrative and fundraising activities. During the year ended December 31, 2024, UWW received non-financial assets in the form of professional consulting services valued at \$294 and other media assets valued at \$1,322. These contributed non-financial assets meet the criteria for revenue recognition under FASB ASC 958-605-25, Contributed Services, at their estimated fair value based on similar value of like services and are included as revenue and expense in the accompanying statements of activities.

**NOTE 16 - INCOME TAXES**

UWW follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

UWW is exempt from federal income tax under IRC Section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. UWW has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. UWW has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

**NOTE 17 - COMMITMENTS AND CONTINGENCIES**

***Litigation and Regulatory Matters***

The Organization is subject to claims and lawsuits that arise primarily in the ordinary course of business. 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 statements.

***Government Contract Costs***

The Organization receives U.S government grants in the ordinary course of business. Changes in the economic and fiscal policy priorities of the U.S. government can have a significant, wide-ranging economic impact on entities, both directly and indirectly. Funds received are subject to audit and compliance with federal regulations. The Organization believes it has met the conditions to retain these funds, and no amounts are reserved for repayment at December 31, 2024 and 2023 in the accompanying consolidated statements of financial position.

**NOTE 18 - SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through May 30, 2025, which is the date the consolidated financial statements were available to be issued. Except for, the following, there were no

**United Way Worldwide and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**  
**\$ Amounts in Thousands**

events that require adjustments to or disclosure in the Organization's consolidated financial statements for the year ended December 31, 2024.

During the fourth quarter of 2024, United Way members voted to increase their membership dues to be paid to United Way from 1.0% of their dues basis to 1.2% in 2025, 1.4% in 2026, and 1.5% in 2027 and going forward.

On April 1, 2024, the Power Forward Communities coalition was awarded a grant from the Environmental Protection Agency's (EPA) Greenhouse Gas Reduction Fund (GGRF). UWW was a member of the coalition, alongside four other nonprofit organizations selected as part of a competitive process to receive funds to implement energy savings programs benefitting homeowners and renters across U.S. communities over a seven-year period. The allocations and operations of this program were managed under the collation of Power Forward Communities and the EPA. On March 11, 2025, the EPA announced the termination of the GGRF grant. UWW has since withdrawn from the Power Forward Communities coalition.

On January 27, 2025, the Office of Management & Budget issued a pause on the disbursement of federal funds until review and approval by the administration. To that end, the Emergency Food & Shelter Program (EFSP) has been unable to issue any payments and/or reimbursement to grantees of the program. The pause for this program remains in effect until further notice.