

GOING FURTHER

UNITED WAY OF THE MIDLANDS  
AND SUBSIDIARY

FINANCIAL REPORT  
JUNE 30, 2025



CPAs & ADVISORS

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**To the Board of Directors  
United Way of the Midlands  
Columbia, South Carolina**

### **Opinion**

We have audited the accompanying consolidated financial statements of **United Way of the Midlands** and its subsidiary (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024 and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated 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 the Midlands and its subsidiary as of June 30, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 United Way of the Midlands and its subsidiary 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 United Way of the Midlands and its 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.

### **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 generally accepted 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.

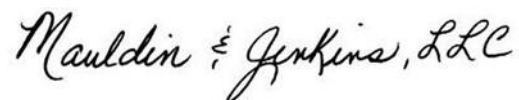
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 the Midlands and its 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 the Midlands and its 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.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 26 - 31 is presented for purposes of additional analysis and is 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 information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Columbia, South Carolina  
October 24, 2025

# United Way of the Midlands and Subsidiary

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,734,913	\$ 4,523,119
Investments	12,827,294	12,650,707
Campaign pledges receivable (net of allowance of \$416,572 for 2025 and \$429,745 for 2024)	4,791,684	4,741,637
Grants receivable	169,612	288,220
Designations processing income receivable	99,767	92,914
Other receivables	4,261	242
Prepaid expenses	165,733	152,080
Cash surrender value of life insurance	862	854
Total current assets	<u>21,794,126</u>	<u>22,449,773</u>
<b>Non-current assets</b>		
Capital projects in progress	7,227	-
Property and equipment, net	3,988,507	4,116,955
Quasi-endowed funds	3,708,059	3,428,513
Total non-current assets	<u>7,703,793</u>	<u>7,545,468</u>
 Total assets	 <u>29,497,919</u>	 <u>29,995,241</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Designations payable	667,238	662,484
Accounts payable	352,117	302,725
Fiscal agent liability	37,500	-
Special funds held for agencies	161,971	164,862
Grants payable	16,071	13,053
Compensation related benefit payable	239,106	212,395
Deferred revenue	-	5,000
Total current liabilities	<u>1,474,003</u>	<u>1,360,519</u>
<b>Net assets</b>		
<b>Without donor restrictions</b>		
Undesignated	13,723,368	11,646,848
Board designated for future capital and operating needs	12,021,282	12,998,737
Total without donor restrictions	<u>25,744,650</u>	<u>24,645,585</u>
<b>With donor restrictions</b>		
Time and purpose	2,279,266	3,989,137
Total net assets	<u>28,023,916</u>	<u>28,634,722</u>
 Total liabilities and net assets	 <u>\$ 29,497,919</u>	 <u>\$ 29,995,241</u>

See notes to consolidated financial statements.

# United Way of the Midlands and Subsidiary

## CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED JUNE 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues and other support</b>			
Gross campaign results prior years	\$ 359,412	\$ -	\$ 359,412
Less, donor designations	(64,468)	-	(64,468)
Provision for uncollectible pledges	40,214	-	40,214
Net campaign revenue prior years	<u>335,158</u>	<u>-</u>	<u>335,158</u>
Gross campaign results 2024	-	6,383,396	6,383,396
Less, donor designations	-	(1,541,757)	(1,541,757)
Less, provision for uncollectible pledges	-	(334,957)	(334,957)
Other special campaigns	-	2,080,185	2,080,185
Net campaign revenue 2024	<u>-</u>	<u>6,586,867</u>	<u>6,586,867</u>
Grants	-	2,557,642	2,557,642
Public support	430	-	430
Sponsorship	238,552	-	238,552
Accounting services income	178,609	-	178,609
Contracts	-	-	-
Special event revenue	41,929	-	41,929
Building rent income	16,660	-	16,660
Contributed nonfinancial assets	276,398	-	276,398
Investment income	733,051	-	733,051
Gain on investments	717,958	-	717,958
Planned gift revenue	242,049	-	242,049
Miscellaneous income	208,855	-	208,855
Campaign income released from restrictions	7,147,135	(7,147,135)	-
Grant funds released from restrictions	3,707,245	(3,707,245)	-
Total revenues and other support	<u>13,844,029</u>	<u>(1,709,871)</u>	<u>12,134,158</u>
<b>Expenses</b>			
Gross funds awarded	5,768,378	-	5,768,378
Less, donor designations	(1,606,225)	-	(1,606,225)
Net funds awarded	<u>4,162,153</u>	<u>-</u>	<u>4,162,153</u>
Grants	3,649,874	-	3,649,874
Other program services	1,782,324	-	1,782,324
Total program services	<u>5,432,198</u>	<u>-</u>	<u>5,432,198</u>
Management and general	977,881	-	977,881
Fundraising	2,172,732	-	2,172,732
Total supporting services	<u>3,150,613</u>	<u>-</u>	<u>3,150,613</u>
Total expenses	<u>12,744,964</u>	<u>-</u>	<u>12,744,964</u>
Increase (decrease) in net assets	1,099,065	(1,709,871)	(610,806)
Net assets, beginning of year	<u>24,645,585</u>	<u>3,989,137</u>	<u>28,634,722</u>
Net assets, end of year	<u>\$ 25,744,650</u>	<u>\$ 2,279,266</u>	<u>\$ 28,023,916</u>

See notes to consolidated financial statements.

# United Way of the Midlands and Subsidiary

## CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED JUNE 30, 2024

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues and other support</b>			
Gross campaign results prior years	\$ 623,823	\$ -	\$ 623,823
Less, donor designations	(66,604)	-	(66,604)
Provision for uncollectible pledges	39,571	-	39,571
Net campaign revenue prior years	<u>596,790</u>	<u>-</u>	<u>596,790</u>
Gross campaign results 2023	-	6,735,995	6,735,995
Less, donor designations	-	(1,477,538)	(1,477,538)
Less, provision for uncollectible pledges	-	(420,555)	(420,555)
Other special campaigns	-	3,420,682	3,420,682
Net campaign revenue 2023	<u>-</u>	<u>8,258,584</u>	<u>8,258,584</u>
Grants	-	3,469,135	3,469,135
Public support	1,600	-	1,600
Sponsorship	204,142	-	204,142
Accounting services income	179,327	-	179,327
Contracts	16,023	-	16,023
Program and event registration	25,776	-	25,776
Building rent income	10,755	-	10,755
Gifts in kind	186,557	-	186,557
Investment income	526,855	-	526,855
Gain on investments	568,090	-	568,090
Planned gift revenue	5,631,714	-	5,631,714
Miscellaneous income	216,221	-	216,221
Campaign income released from restrictions	5,854,048	(5,854,048)	-
Grant funds released from restrictions	2,981,809	(2,981,809)	-
Total revenues and other support	<u>16,999,707</u>	<u>2,891,862</u>	<u>19,891,569</u>
<b>Expenses</b>			
Gross funds awarded	4,542,793	-	4,542,793
Less, donor designations	(1,544,146)	-	(1,544,146)
Net funds awarded	<u>2,998,647</u>	<u>-</u>	<u>2,998,647</u>
Grants	3,416,135	-	3,416,135
Other program services	1,512,105	-	1,512,105
Total program services	<u>4,928,240</u>	<u>-</u>	<u>4,928,240</u>
Management and general	903,363	-	903,363
Fundraising	1,994,893	-	1,994,893
Total supporting services	<u>2,898,256</u>	<u>-</u>	<u>2,898,256</u>
Total expenses	<u>10,825,143</u>	<u>-</u>	<u>10,825,143</u>
Increase (decrease) in net assets	6,174,564	2,891,862	9,066,426
Net assets, beginning of year	<u>18,471,021</u>	<u>1,097,275</u>	<u>19,568,296</u>
Net assets, end of year	<u>\$ 24,645,585</u>	<u>\$ 3,989,137</u>	<u>\$ 28,634,722</u>

See notes to consolidated financial statements.

United Way of the Midlands and Subsidiary

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2025**

	Other Program Services							Supporting Services			Total	
	Agency Distributions	Special Initiatives	Grants	Communications and Community Relations	Community Impact	Community Resources	Community Partners Other Program Services	Total Other Program Services	Management and General	Fundraising		Total Supporting Services
<b>Expenditures</b>												
RFP distributions	\$ 1,821,316	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,871,316
Other payouts	50,000	653,779	50,000	-	-	-	-	-	-	-	-	753,779
Grants and subcontracts	799,375	76,880	880,257	-	-	-	-	-	-	-	-	1,756,512
Community events	-	13,673	10,899	756	9,799	2,878	-	13,433	5,224	151,013	156,237	194,242
Salaries	-	308,849	1,417,694	90,012	477,403	148,715	-	716,130	508,283	1,110,725	1,619,008	4,061,681
Benefits	-	96,751	345,537	26,211	116,458	28,258	-	170,927	126,053	297,466	423,519	1,036,734
Payroll taxes	-	24,715	108,367	7,084	39,078	11,925	-	58,087	40,860	88,700	129,560	320,729
Professional fees	-	79,628	285,257	24,089	116,045	15,944	-	156,078	87,435	188,599	276,034	796,997
Supplies	-	58,027	53,694	804	3,315	594	-	4,713	3,468	4,263	7,731	124,165
Dental supplies	-	-	80,559	-	-	-	-	-	-	-	-	80,559
Lab costs	-	-	72,859	-	-	-	-	-	-	-	-	72,859
Telephone	-	2,448	59,641	462	5,980	929	-	7,371	3,196	6,320	9,516	78,976
Postage	-	251	222	92	620	95	-	807	1,501	2,279	3,780	5,060
Occupancy	-	14,134	-	2,830	34,527	5,366	138,868	181,591	18,454	36,490	54,944	250,669
Equipment maintenance	-	15,580	9,548	2,943	47,599	5,915	-	56,457	20,342	40,222	60,564	142,149
Printing and advertising	-	34,937	11,039	131,080	4,780	1,372	-	137,232	4,173	54,899	59,072	242,280
Staff development	-	10,536	24,768	1,636	14,503	2,228	-	18,367	5,484	19,850	25,334	79,005
Membership dues	-	458	8,024	86	1,293	174	-	1,553	597	1,835	2,432	12,467
Insurance	-	4,428	4,052	836	10,817	1,681	-	13,334	5,956	11,431	17,387	39,201
Equipment/building	-	16,683	59,858	318	91,881	639	-	92,838	2,197	4,344	6,541	175,920
Depreciation	-	19,907	88,324	3,760	48,628	7,558	-	59,946	25,991	51,392	77,383	245,560
Other expenses	-	(45,055)	47,275	27	143	51	-	221	78,241	4,875	83,116	85,557
In-kind contribution of assets	-	23,890	32,000	-	-	-	-	-	-	18,095	18,095	73,985
United Way dues	-	30,963	-	5,849	75,635	11,755	-	93,239	40,426	79,934	120,360	244,562
<b>Totals</b>	<b>\$ 2,670,691</b>	<b>\$ 1,491,462</b>	<b>\$ 3,649,874</b>	<b>\$ 298,875</b>	<b>\$ 1,098,504</b>	<b>\$ 246,077</b>	<b>\$ 138,868</b>	<b>\$ 1,782,324</b>	<b>\$ 977,881</b>	<b>\$ 2,172,732</b>	<b>\$ 3,150,613</b>	<b>\$ 12,744,964</b>

See notes to consolidated financial statements.

United Way of the Midlands and Subsidiary

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2024**

				Other Program Services				Supporting Services			Total	
	Agency Distributions	Special Initiatives	Grants	Communications and Community Relations	Community Impact	Community Resources	Community Partners Other Program Services	Total Other Program Services	Management and General	Fundraising		Total Supporting Services
<b>Expenditures</b>												
RFP distributions	\$ 1,967,770	\$ 62,500	\$ 75,000	\$ -	\$ 3,250	\$ -	\$ -	\$ 3,250	\$ -	\$ -	\$ -	\$ 2,108,520
In-kind contribution of assets	2,500	312,473	14,031	-	-	-	-	-	-	-	-	329,004
Other payouts	12,396	15,035	562,906	-	-	-	-	-	-	-	-	590,337
Grants and subcontracts	-	11,534	1,240	101	1,268	2,263	-	3,632	867	148,241	149,107	165,513
Community events	-	325,861	1,360,673	66,187	458,168	147,300	-	671,655	479,402	980,679	1,460,081	3,818,271
Salaries	-	75,117	323,835	16,456	120,696	29,274	-	166,425	128,055	268,529	396,584	961,962
Benefits	-	26,811	104,499	5,139	37,537	12,145	-	54,821	39,049	79,145	118,193	304,325
Payroll taxes	10,846	46,056	272,892	14,992	48,191	13,289	-	76,471	80,433	248,913	329,346	735,611
Professional fees	-	62,203	152,790	575	2,285	401	-	3,261	2,864	4,274	7,137	225,391
Supplies	-	-	88,178	-	-	-	-	-	-	-	-	88,178
Dental supplies	-	-	89,212	-	-	-	-	-	-	-	-	89,212
Lab costs	-	4,961	10,127	530	6,210	1,332	-	8,072	4,529	8,275	12,803	35,964
Telephone	-	330	452	677	469	88	-	1,234	1,191	3,181	4,371	6,388
Postage	-	17,909	1,500	1,912	22,418	4,808	138,868	168,006	16,347	29,870	46,217	233,632
Occupancy	-	12,417	18,150	1,326	25,083	3,333	-	29,742	11,333	20,709	32,043	92,351
Equipment maintenance	-	10,569	9,844	94,979	3,264	1,673	-	99,916	2,322	46,365	48,687	169,016
Printing and advertising	-	9,800	31,873	2,915	9,196	2,034	-	14,145	3,744	18,738	22,482	78,300
Staff development	-	742	6,843	71	1,160	179	-	1,410	609	2,401	3,010	12,004
Membership dues	-	6,227	3,706	665	7,795	1,672	-	10,132	5,844	10,387	16,231	36,296
Insurance	-	23,719	104,750	273	95,632	685	-	96,590	2,330	4,456	6,786	231,845
Equipment/building	-	35,023	92,936	3,739	43,840	9,402	-	56,982	31,967	58,414	90,381	275,322
Depreciation	-	(83,645)	90,698	31	(1,727)	77	-	(1,620)	65,561	2,627	68,188	73,620
Other expenses	-	-	-	-	-	-	-	-	-	10,504	10,504	10,504
United Way dues	-	29,491	-	3,149	36,915	7,917	-	47,981	26,918	49,187	76,105	153,578
<b>Totals</b>	<b>\$ 1,993,512</b>	<b>\$ 1,005,135</b>	<b>\$ 3,416,135</b>	<b>\$ 213,716</b>	<b>\$ 921,648</b>	<b>\$ 237,873</b>	<b>\$ 138,868</b>	<b>\$ 1,512,105</b>	<b>\$ 903,363</b>	<b>\$ 1,994,893</b>	<b>\$ 2,898,256</b>	<b>\$ 10,825,143</b>

See notes to consolidated financial statements.

# United Way of the Midlands and Subsidiary

## CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (610,806)	\$ 9,066,426
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	245,478	275,322
Allowance for uncollectible pledges	(13,173)	67,192
Unrealized and realized gain on investments	(717,958)	(568,090)
(Increase) decrease in current assets		
Campaign pledges receivable	(36,874)	(2,468,319)
Grants receivable	118,608	67,349
Designation processing income receivable	(6,853)	(18,568)
Other receivables	(4,019)	1,499
Prepaid expenses	(13,653)	(59,875)
Cash surrender value of life insurance	(8)	(7)
Increase (decrease) in current liabilities		
Designations and grants payable	7,772	7,328
Accounts payable	76,103	152,539
Fiscal agent liability	37,500	-
Special funds held for agencies	(2,891)	(7,994)
Other liabilities	(5,000)	(5,000)
Net cash provided by (used in) operating activities	<u>(925,774)</u>	<u>6,509,802</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	961,841	(3,143,883)
Interest and dividends reinvested	(700,016)	(456,737)
Purchases of property and equipment	(117,030)	(98,744)
Capital projects in progress	(7,227)	-
Net cash provided by (used in) investing activities	<u>137,568</u>	<u>(3,699,364)</u>
Net (decrease) increase in cash, cash equivalents and restricted cash	(788,206)	2,810,438
Cash, cash equivalents and restricted cash, beginning of year	<u>4,523,119</u>	<u>1,712,681</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 3,734,913</u>	<u>\$ 4,523,119</u>
<b>Reconciliation of cash, cash equivalents and restricted cash, end of year, to consolidated statement of financial position</b>		
Cash and cash equivalents	\$ 2,578,386	\$ 3,366,592
Restricted cash and cash equivalents	<u>1,156,527</u>	<u>1,156,527</u>
Total cash, cash equivalents and restricted cash, end of year	<u>\$ 3,734,913</u>	<u>\$ 4,523,119</u>

See notes to consolidated financial statements.

# Notes to Consolidated Financial Statements

## **NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

United Way of the Midlands (the "Organization") is a nonprofit corporation, founded in 1925, that is governed by a volunteer Board of Directors (the "Board") which consists of diverse local area leadership. The Board is supported by various committees that have oversight over different aspects of the Organization's operations, including finance, resource development, community impact, and communications. The current mission of the Organization is to unite people and resources to improve the quality of life in the six counties (Richland, Lexington, Newberry, Fairfield, Orangeburg, and Calhoun) in the Midlands area of South Carolina. The Organization conducts an annual fundraising campaign throughout the Midlands area to raise funds through corporate and individual pledges and gifts. Campaign funds are raised for the purpose of funding specific grant requests from affiliated local agencies that will have the greatest, measurable impact on the quality of health and human services in the Midlands. The Organization also works in collaboration with others to leverage community impact resources for the purpose of obtaining grants from various funding sources that support the health and human services needs of the area.

Fundraising campaigns are conducted each year to fund programs offered through participating agencies in the subsequent year. The Organization is dependent upon undesignated contributions from corporate and individual donors to this campaign to support its program services. The level of such contributions can be affected by economic conditions and other factors. In addition, the choice on the part of some donors to designate their gifts to specific agencies can result in reduced funding available for grant making, grant matching and leveraging grants, and other initiatives that might be undertaken consistent with the mission of the Organization. A decrease in undesignated contributions could adversely affect the Organization's ability to raise funds, maintain infrastructure, provide services, and to invest funds in social service agencies' programs.

The Organization's Community Impact program areas include: 1) Whole Family strategy which focuses on helping low-income families increase their income to meet basic needs as well as to begin the long-term process of saving and building assets. The Organization also provides leadership in reducing homelessness including data management and grant development for the local homeless coalition. The Organization also provides support through other organizations for those in crisis and assists others in critical areas such as home repairs for seniors and people with disabilities. 2) Education and Youth Initiatives include projects such as the Midlands Reading Consortium and other programs, which bring volunteers, and funding together to help striving students improve reading skills, academic success, and education levels. This would include supporting after-school reading programs, increasing parental involvement and other programs focused on mentoring and assisting at-risk youth. 3) Young Men United which supports college capable but not college ready young men reach their educational and workforce development goals. 4) Health Initiatives help ensure access to health care and promote health equity. Funds in this area promote enrollment for uninsured individuals in plans that address chronic disease and primary care management, free dental treatment for children and uninsured adults. 5) Investing in affordable housing preservation and creation through community partners.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Community Partners of the Midlands, LLC DBA WellPartners**

During fiscal 2012-2013, Family Service Center of South Carolina, an agency who received grant funding from the Organization, declared bankruptcy. A portion of the work performed by this agency was the providing of children's free dental services. In order to prevent the loss of the services provided by this portion of the agency's work, the Organization formed Community Partners of the Midlands, LLC DBA WellPartners (Community Partners), a wholly owned subsidiary of the Organization. Community Partners is funded primarily by grants from the Organization, Prisma Health, and Lexington Health to Community Partners.

Community Partners was formed for the purpose of providing free and/or low-cost dental and vision care to indigent children and adults living in the Midlands region of South Carolina. The Children's Volunteer Program works to provide comprehensive dental care for children ages 5 through 18 years of age attending SC schools in the seven districts located in Richland and Lexington Counties. 100% of dental services are provided free-of-charge by volunteer dentists and hygienists to children enrolled in their school's Free or Reduced Lunch Program, and do not receive Medicaid or dental insurance benefits. Community Partners of the Midlands, LLC provides the same dental services found in the community general or pediatric dental offices. From July 2024 through June 2025, our Children's Program in Richland and Lexington Counties provided 809 patient visits for children with support from volunteer dentists and hygienists who contributed more than 415 hours of in-kind volunteer service. The Adult Dental Program, which works to address dental emergencies and improve the oral health of uninsured, underserved adults over the age of 18, provides free dental care in Richland and Lexington County. The Lexington Adult Clinic, with the support of core part-time Dental Team, is in operation one and a half days per week. The Richland Adult Clinic transitioned to full time in February 2016 with a full-time staff team of three. From July 2024 through June 2025, the Adult Program provided 2,301 free patient visits for adults with a total value of in-kind treatments of over \$1 million. The vision clinic provided 2,981 patient visits and distributed eyeglasses to 1,345 patients from July 2024 through June 2025.

**Consolidation Policy**

The consolidated financial statements for the year ended June 30, 2025, include the accounts of the parent company, the Organization and its wholly owned subsidiary, Community Partners, herein collectively referred to as "the Organization". All material intercompany balances and transactions have been eliminated in consolidation.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Compliance**

The Organization is in compliance with all membership requirements promulgated by United Way Worldwide. Included in these are compliance in the areas of governance, accounting standards and presentation, and Requirement M, which governs the organizations handling of designation payments. The Organization pledges its commitment and is in full compliance with Requirement M. This supplement, promulgated in 2004 and 2005 by United Way Worldwide, governs the calculation of Cost Recovery Rates and the timing of notifications and designation payouts. The Organization meets or exceeds these standards in all instances. The Organization's calculation of Cost Recovery Rates is verifiable based on the audited 990 results available to the public. The Cost Recovery Rate consists of a three-year moving average rate that is disclosed to United Way Worldwide, donors, and all organizations receiving designations. Organizations receiving designations receive full reporting on donors designating to their organization, including amounts pledged, collected, and paid.

**Accounting Method**

The Organization uses the accrual method of accounting reflecting income earned regardless of when received and expenses incurred regardless of when paid.

**Net Assets**

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

*Net assets without donor restrictions.* Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for future capital and operating needs. These Board designated net assets are legally unrestricted and can be used by the Organization for any purpose.

*Net assets with donor restrictions.* Net assets subject to donor 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 stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Expenditures that relate to the fulfillment of time and purpose restrictions are shown as a reduction in revenue with donor restrictions as net assets released from restrictions.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Net Assets (Continued)**

Net assets held in perpetuity are subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The restrictions stipulate that the net assets be maintained permanently by the Organization but permit the Organization to expend all or part of the income generated in accordance with the provisions of the agreement. The Organization had no net assets held in perpetuity as of June 30, 2025 and 2024.

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes.

Unrealized and realized gains and losses, and dividends and interest from investing activities may be included in either of these net asset classifications depending on donor-imposed restrictions and the Organization's interpretation of relevant state law.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue and Revenue Recognition**

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets without donor restriction. The Organization reports gifts of cash and other assets as with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized when the promises are received, and allowances are provided for promises estimated by management to be collectible. Unconditional promises due within the next fiscal year are reflected as current receivables, while promises due after one year are reflected as long-term receivables.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Revenue and Revenue Recognition (Continued)**

The Organization derives its contract revenues from providing services to other organizations and agencies which, depending on the unique nature of the contract, may fall within the scope of ASC 958 or ASC 606. In fiscal years 2025 and 2024, there were no contracts that were within the scope of ASC 606. Accounting service revenue and special event revenue is recognized at a point in time when the exchange or event occurs.

Gifts of land, buildings, and equipment are presented as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

**Cash and Cash Equivalents**

The Organization considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents which includes money market funds. The carrying amount of cash equivalents approximates fair value.

**Allowance for Uncollectible Pledges**

The allowance for uncollectible pledges has been established to value pledges at their estimated net realizable value. The estimated allowances have been calculated based on management's judgment of prior collection history and other analysis of individual pledges and are applied to the gross campaign net of direct paid designations. Annual pledges not collected after 18 months are written off against the allowance.

**Investments**

Investments are stated at aggregate current market value, as determined by the last reported sales price on the last business day of the fiscal year. Increases or decreases in market value are recognized as income or losses in the period in which they occur. Appreciation (depreciation) in fair value of investments represents an aggregate of increases (decreases) in the market value of investments held throughout the year and the difference between net purchase price and end of the year market value for investments purchased during the year.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment in Property and Equipment**

Expenditures for the acquisition of property and equipment in excess of \$500 are capitalized at cost. Donations of property and equipment are recorded as support unless the donor has restricted the donated asset for a specific purpose. Depreciation is calculated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	20 - 40
Leasehold improvements	5 - 20
Furniture and equipment	5 - 7
Computer software	5

**Compensated Absences**

The Organization's employees are entitled to accrue and carry forward annual leave subject to a maximum number of hours and length of employee service. Prior year leave that is carried forward to the next year must be used by December 31 of that year. Any leave that was carried forward from the prior year that is still left at December 31 of the current year is forfeited.

**Allocation of Functional Expenses**

The costs of providing the Organization's programs have been summarized in the statement of functional expenses. Expenses directly attributable to a specific functional area of the Organization 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 supporting services based on the proportion of full-time employee equivalents of a program or supporting service versus the total organizational full-time employee equivalents.

**Donated Services and In-kind Contributions**

A large number of volunteers donate substantial amounts of time toward the annual campaign and the various community activities; however, donated services are only recognized if they require specialized skills, are provided by those individuals or companies that possess those skills and would need to be purchased if they were not donated, in accordance with the *Not-for-Profit Revenue Recognition* topic of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC).

Donated property and other in-kind contributions are recognized in the financial statements at fair market value when received. The Organization received donated services and in-kind contributions of \$276,398 for the year ended June 30, 2025, and \$186,557 for the year ended June 30, 2024.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fundraising Costs**

The Organization expenses all fundraising costs as they are incurred.

**Advertising Expenses**

The Organization expenses advertising costs as they are incurred. Advertising costs were \$135,239 for the year ended June 30, 2025, and \$87,706 for the year ended June 30, 2024.

During fiscal year 2014-2015, United Way Worldwide (UWW) recommended that each local United Way should begin recording its pro-rata share of donated national advertising from the National Football League, the Ad Council and other organizations, received by UWW on behalf of the member United Ways. The Organization's share of in-kind national advertising totaled \$14,496 for the year ended June 30, 2025, and \$11,001 for the year ended June 30, 2024, and is recorded in printing and advertising.

**Income Taxes**

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. However, the Organization is subject to federal income taxes on unrelated business income. The Organization had no unrelated business income for the years ended June 30, 2025 and 2024. Therefore, no provision for income taxes was made.

Management has evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

**Concentration of Risk**

*Cash and cash equivalents.* The Organization maintains its cash in cash deposit accounts, which at times during the year may exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any losses in such accounts and feels the commercial banks they use are financially sound. The Organization's cash balances exceeded the FDIC limit by \$1,135,156 and \$1,894,111 at June 30, 2025 and 2024, respectively. The Organization does not believe it is exposed to any significant risk on its cash balances.

*Investments.* The Organization maintains its investments with a brokerage firm, which at times during the year may exceed amounts covered by insurance provided by the U.S. Securities Investment Protection Corporation (SIPC). The Organization's investment balances exceeded that limit by \$13,060,732 and \$12,982,328 at June 30, 2025 and 2024, respectively.

**NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Concentration of Risk (Continued)**

*Campaign pledges receivable/revenue.* Substantially all campaign pledges receivable and revenues are from individuals, businesses, or nonprofit organizations in Columbia, South Carolina and surrounding areas. Campaign pledges receivable from one company equaled approximately 22% of net campaign pledges receivable at June 30, 2025, and 21% at June 30, 2024. Campaign pledge revenues from one company totaled approximately 15% of total revenues and 27% of gross campaign revenues for the year ended June 30, 2025. Campaign pledge revenues from the same company's corporate, payroll, and individual giving equaled approximately 17% of total revenues and 21% of gross campaign revenues for the year ended June 30, 2024.

**NOTE 2. LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 3,734,913	\$ 4,523,119
Investments	12,827,294	12,650,707
Pledges receivable, net	4,791,684	4,741,637
Grant and processing income receivable	269,379	381,134
Other receivables	4,261	242
Cash surrender value of life insurance	862	854
Total financial assets available within one year	<u>21,628,393</u>	<u>22,297,693</u>
Less:		
Amounts unavailable for general expenditures		
Restrictions by donors with purpose restrictions	<u>2,279,266</u>	<u>3,989,137</u>
<b>Amounts unavailable to management without Board approval</b>		
Quasi-endowment	3,708,059	3,428,513
Board-designated Scott funds	5,186,613	6,643,484
Board-designated capital reserve funds	693,348	651,414
Board-designated operating reserve funds	<u>2,433,262</u>	<u>2,275,326</u>
	<u>12,021,282</u>	<u>12,998,737</u>
Available to management for general expenditures within one year	<u>\$ 7,327,845</u>	<u>\$ 5,309,819</u>

As part of the budgeting process, the Organization seeks to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a committed line of credit of \$1,000,000, which it could draw upon. Additionally, the Organization has Board-designated net assets without donor restrictions that, while the Organization does not intend to spend these for purposes other than identified, the amounts could be available for current operations if necessary.

### NOTE 3. CAMPAIGN PLEDGES RECEIVABLE

Campaign pledges receivable as of June 30, 2025 and 2024, are summarized as follows:

	<u>2025 Net</u>	<u>2024 Net</u>
Campaign pledges receivable:		
Prior year campaign	\$ -	\$ 3,600
Current year campaign	1,813,501	1,905,299
Future years campaigns	188,989	115,246
Campaign for Good	2,789,194	2,717,492
	<u>\$ 4,791,684</u>	<u>\$ 4,741,637</u>

The allowance for doubtful accounts was approximately \$417,000 at June 30, 2025, and \$430,000 at June 30, 2024. Pledges were discounted by the allowance for doubtful accounts. The allowance is calculated based on management's judgment of prior collection history and other analysis of individual pledges.

Donors may choose to designate all or part of their contributions to specific charitable organizations. These transactions are reported in the statement of activities as part of the current year United Way of the Midlands Annual Campaign and are then deducted as amounts designated to other organizations to arrive at net campaign revenue. Amounts so deducted are carried as liabilities until paid to the designated charitable organization. Also, donor designated pledges are assessed both a fundraising and a management and general fee based on actual historical costs in accordance with United Way Worldwide Membership Requirements as outlined in their publication titled "United Way Worldwide Cost Deduction Standards for Membership Requirement M."

### NOTE 4. RESERVE FUND

The Board has designated an operating reserve fund at the Organization. The purpose of this fund is to reserve for future cash shortfalls or operating needs. The Board has approved a reserve fund policy for governing these funds. According to the reserve fund policy, the Board must approve any withdrawal or replenishment of the funds. It also sets a required fund balance at 25% of operating expenses expected in the following fiscal year. Furthermore, investments in the reserve fund are invested according to the Organization's investment policy (see Note 5). The fund balance was approximately \$1,106,613 over the required level at June 30, 2025, based on the 2025 - 2026 budget, and approximately \$967,841 over the required level at June 30, 2024, based on the 2024 - 2025 budget.

#### NOTE 4. RESERVE FUND (CONTINUED)

The reserve fund consists of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
<b>Operating reserve fund</b>		
Cash and cash equivalents	\$ 74,840	\$ 29,679
Investments	2,358,422	2,245,647
Total operating reserve funds	<u>2,433,262</u>	<u>2,275,326</u>
<b>Capital reserve fund</b>		
Investments	<u>693,348</u>	<u>651,414</u>
Total reserve funds	<u>\$ 3,126,610</u>	<u>\$ 2,926,740</u>

In 2016-2017, the Board designated a capital reserve fund for the purpose of ensuring sufficient funds are available for capital expenditures needed to maintain the Organization's facilities and property. A policy was established for governing these funds. According to the policy, the Organization shall endeavor to contribute \$35,000, or an amount the Finance Committee deems appropriate, to the Capital Reserve Fund annually until the targeted reserve of \$600,000 is achieved. Investments in the capital reserve fund are invested according to the Organization's investment policy. The capital reserve fund had interest income and investment gains of \$41,934 for fiscal year 2024-2025. Contributions of \$41,934 were made for fiscal year 2024-2025.

#### NOTE 5. INVESTMENTS

The Organization's investment decisions are managed pursuant to a Board approved investment policy. All brokerage and banking institutions managing the Organization's investments were provided copies and have agreed to abide by this policy. The policy restricts investments to certificates of deposit (CD's), money market funds, and investment grade securities. The average credit rating of the portfolio must be A or better and with an average maturity of less than three years.

Short-term investments are carried at fair value, which approximates cost in accordance with the *Not-for-Profit Entities - Investments - Debt and Equity Securities* topic of the FASB ASC.

Investments consist of certificates of deposit, government and agency securities, corporate bonds and mutual funds, which are carried at the quoted market value of the securities as of the last business day of the reporting year. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the change of net assets in the accompanying statement of activities.

## NOTE 5. INVESTMENTS (CONTINUED)

The following is a summary of the market value of investments as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Certificates of deposits	\$ 1,615,778	\$ 1,546,862
Corporate bonds	10,154,434	10,189,560
Mutual funds	1,057,082	914,285
Totals	<u>\$ 12,827,294</u>	<u>\$ 12,650,707</u>

The following schedule summarizes the investment return on non-endowed investments, for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 637,685	\$ 453,870
Realized gains (losses)	35,649	(157,667)
Unrealized gains	351,593	477,314
Totals	<u>\$ 1,024,927</u>	<u>\$ 773,517</u>

Certificate of deposits (CDs) with original maturities greater than three months and remaining maturities less than one year are classified as short-term while those with remaining maturities greater than one year are classified as long-term. CDs are reported at cost plus any accrued interest through the reporting date.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the statement of financial position.

Investment fees of \$21,831 and \$15,122 were incurred for the years ending June 30, 2025 and 2024, respectively. These fees are in the accompanying consolidated statements of activities, netted against investment income.

## NOTE 6. FAIR VALUE MEASUREMENTS

The Organization adheres to the *Fair Value Measurements and Disclosures* topic of the FASB ASC 820, which defines fair value, establishes a consistent framework for measuring fair value, and expands disclosure requirements about fair value measurements. Topic 820 requires, among other things, the Organization to maximize the use of observable inputs and minimize the use of unobservable inputs in its fair value measurement techniques.

Topic 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Topic 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

**NOTE 6. FAIR VALUE MEASUREMENTS (CONTINUED)**

The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities traded in active markets.
- Level 2 Inputs to the valuation methodology included quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted process that are observable for the assets or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the assets or liabilities have a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the assets or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Cash and cash equivalents, accounts receivable, and pledges receivable due in less than one year are stated at the carrying amounts, which approximate the fair value because of the short maturity of these instruments. Pledges receivable due in more than one year are discounted to net present value.

Financial assets measured at fair value on a recurring basis are as follows:

	<b>June 30, 2025</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Assets				
Corporate bonds	\$ -	\$ 10,154,434	\$ -	\$ 10,154,434
Mutual funds	1,057,082	-	-	1,057,082
Certificates of deposit	1,615,778	-	-	1,615,778
Quasi-endowed funds	-	-	3,708,059	3,708,059
Totals	<u>\$ 2,672,860</u>	<u>\$ 10,154,434</u>	<u>\$ 3,708,059</u>	<u>\$ 16,535,353</u>
	<b>June 30, 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Assets				
Government and agency securities	\$ -	\$ 10,189,560	\$ -	\$ 10,189,560
Corporate bonds	914,285	-	-	914,285
Money market funds	1,546,862	-	-	1,546,862
Quasi-endowed funds	-	-	3,428,513	3,428,513
Totals	<u>\$ 2,461,147</u>	<u>\$ 10,189,560</u>	<u>\$ 3,428,513</u>	<u>\$ 16,079,220</u>

## NOTE 6. FAIR VALUE MEASUREMENTS (CONTINUED)

The Endowed Fund at the Central Carolina Community Foundation (CCCF) is classified as Level 3, consists of long-term investments held by a third-party (see Note 7). Management estimates the investment's fair value using information supplied by the third-party. However, the third-party information supplied does not describe the underlying investments that make up the Organization's funds. As a result, no observable inputs are present in order for the Organization's management to assess fair value. The Endowed Fund at CCCF had the following activity during the years ended June 30, 2025 and 2024.

	<u>2025</u>	<u>2024</u>
<b>Beginning balance</b>	\$ 3,428,513	\$ 1,992,252
Interest income	95,367	72,984
Realized gains	53,294	19,279
Unrealized gains	277,422	229,163
Management fees	(24,066)	(19,589)
Deposits and withdrawals, net	(122,471)	1,134,424
Ending balance	<u>\$ 3,708,059</u>	<u>\$ 3,428,513</u>

## NOTE 7. ENDOWMENTS

The Organization has transferred funds it has received over the years to two accounts at CCCF and acts as a quasi-endowment. These funds are invested by CCCF and are presented at market value, which was \$3,708,059 as of June 30, 2025, and \$3,428,513 as of June 30, 2024. Each year CCCF allots a certain amount of the original investment, which may be withdrawn by the Organization. The Organization withdrew \$124,900 in 2025 and \$18,400 in 2024.

CCCF support fees were incurred on the quasi-endowment funds of \$24,066 for the year ending June 30, 2025, and \$19,589 for the year ending June 30, 2024. The support fee helps to cover the costs of administering each fund and allows CCCF to make important contributions to our community such as acting as a catalyst on local community issues, building community collaborations and offering technical assistance to make local charities more effective in meeting our community's needs.

## NOTE 8. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Land	\$ 514,345	\$ 514,345
Buildings and improvements	4,214,193	4,214,193
Capital projects in progress	7,227	-
Furniture and equipment	2,233,994	2,116,963
Computer software	290,312	290,312
	<u>7,260,071</u>	<u>7,135,813</u>
Less: accumulated depreciation	(3,264,337)	(3,018,858)
Property and equipment, net	<u>\$ 3,995,734</u>	<u>\$ 4,116,955</u>

**NOTE 9. LINE OF CREDIT**

The Organization has a \$1,000,000 revolving line of credit agreement with a commercial bank. There are no borrowings against the line at June 30, 2025 and 2024. The interest rate on the loan is variable, based upon an index determined by the lender. It is secured by a negative pledge agreement to the commercial bank. The original promissory note was amended and restated on February 16, 2024, and is payable on demand.

**NOTE 10. ASSETS RELEASED FROM DONOR RESTRICTIONS**

Net assets released from time and purpose restrictions consisted of the following during the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
<b>Time restriction</b>		
Annual campaign pledges	\$ 6,764,389	\$ 5,504,083
<b>Purpose restriction</b>		
Annual campaign pledges	382,746	349,965
Grants and other programs	3,707,245	2,981,809
Total net assets released from restrictions	<u>\$ 10,854,380</u>	<u>\$ 8,835,857</u>

Net assets with donor restriction were available for the following purposes at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
<b>Time restriction</b>		
Future Campaign's Income	\$ 270,787	\$ 126,396
Campaign For Good	617,368	1,704,774
<b>Purpose restriction</b>		
Annual Campaign Pledges	251,577	57,604
Campaign For Good	131,000	1,012,717
FAFSA Challenge	12	-
Bank of America	3,424	-
Sisters of Charity	3,555	8,185
Mungo YMU-CFG	403,489	-
Strengthening partnerships	9,192	9,192
Colonial Life - Young Men United	258,002	331,965
State Innovation Fund - Young Men United	-	59,983
Siemer Institute - Advocacy	2,792	19,792
Siemer Institute - Advocacy	5,000	-
State Budget Allocation - YMU	168	-
Truist Affordable housing	-	220,000
Young Men United DHHS	-	42,984
Truist Family Stability 2Gen	38,432	237,500
YMU-UW Worldwide	23,090	36,175
Leon Levine Foundation	74,312	50,000
Centene Foundation-YMU	25,000	-
Other grants and initiatives	58,943	2,679
BlueCross BlueShield Foundation-CPM	35,660	24,985
Leon Levine Foundation-CPM	67,420	44,206
Other grants and initiatives	43	-
Total net assets - time and purpose	<u>\$ 2,279,266</u>	<u>\$ 3,989,137</u>

**NOTE 10. ASSETS RELEASED FROM DONOR RESTRICTIONS (CONTINUED)**

Net assets with donor restrictions at June 30, 2025 and 2024 are included on the statement of financial position as follows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 2,279,266	\$ 3,989,137
Total restricted - time and purpose	<u>\$ 2,279,266</u>	<u>\$ 3,989,137</u>

**NOTE 11. BENEFIT PLAN**

The Organization provides a 401(k) plan for all eligible employees. To be eligible to participate in the plan, employees must be at least 21 years of age. The Organization will make a matching contribution up to 6% based upon the participating employee's base salary and may make an additional safe harbor contribution of 3% of the participant's compensation. Contributions totaled \$308,307 for the year ended June 30, 2025, and \$286,449 for the year ended June 30, 2024.

**NOTE 12. INCENTIVE COMPENSATION PLAN**

The Board approved an incentive compensation payment plan, first adopted in 2008, for all of the employees of the Organization who qualify. The incentive pay is based on reaching Board-approved organizational and departmental goals that are developed at the beginning of each fiscal year. Incentive payments totaled \$125,422 for the year ended June 30, 2025, and \$122,277 for the year ended June 30, 2024, as a result of the attainment of all or a portion of these goals.

**NOTE 13. RELATED PARTY TRANSACTIONS**

The Organization paid quarterly dues to the United Way Worldwide, its national affiliate, and United Way Association of South Carolina, its state affiliate, of \$244,437 for the year ended June 30, 2025, and \$153,575 for the year ended June 30, 2024.

The Organization awarded a grant to an organization whose Executive Director serves on the Board of Directors. The Board approved the grant, with the related Board member abstaining from the vote. The total amount paid and accrued to the related organization was \$292,202 for the year ended June 30, 2025.

A Board member is an executive in an insurance company that the Organization purchases insurance products from at the prevailing market rate. The total premiums paid for group health insurance coverage were \$566,836 for the year ended June 30, 2025.

A Board member is an executive of digital firm that the Organization used for their web and marketing services. The total amount paid for this service was \$66,294 for the year ended June 30, 2025.

**NOTE 14. IN-KIND CONTRIBUTIONS**

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized within the consolidated statements of activities included:

	<u>2025</u>	<u>2024</u>
Advertising	\$ 63,546	\$ 47,689
Auction/raffle items	18,094	-
Basic needs	34,200	-
Educational supplies	16,690	-
Legal	5,000	-
Rent	138,868	138,868
	<u>\$ 276,398</u>	<u>\$ 186,557</u>

The Organization recognized the contributed nonfinancial assets within revenue, including contributed advertising, auction/raffle items, supplies, legal services and rent, and were used in program support and fundraising. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

United Way Worldwide contributed advertising is valued using a multiplication factor based on total airtime divided by total dues. In valuing all other contributed advertising, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States. Richland County rents space to Community Partners of the Midlands for the operation of dental and vision clinics in Richland and Lexington Counties. In valuing contributed rent, the Organization estimated fair value based on current rates for similar space. In-kind contributions of legal services were valued using estimated average US prices of similar services under a 'like-kind' methodology, considering the utility of the services at the time of the contribution.

**NOTE 15. FEDERAL AND STATE CONTRACTS**

Expenditures related to federal and state contracts are subject to adjustment based upon review by the granting agencies. It is management's assessment that the amounts, if any, of expenditures, which may be disallowed, would not have a material effect on the Organization's financial position.

**NOTE 16. FISCAL AGENT**

The Organization serves as a fiscal agent for Fairfield Forward in relation to the grant from the American Red Cross for Long-Term Recovery Group purposes. The agreement commenced on May 15, 2025, and remains in effect until June 30, 2026. The Organization recognized a liability of \$37,500 for the grant funds received as of June 30, 2025. No funds have been expended as of June 30, 2025.

**NOTE 17. SUBSEQUENT EVENTS**

The Organization has performed an evaluation of subsequent events through October 24, 2025, which is the date the financial statements were available to be issued.

# United Way of the Midlands and Subsidiary

## CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2025

	<u>United Way</u>	<u>Community Partners</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 3,048,156	\$ 686,757	\$ -	\$ 3,734,913
Investments - others	12,827,294	-	-	12,827,294
Campaign pledges receivable (net of allowance of \$416,572 for 2025)	4,791,684	-	-	4,791,684
Grants receivable	102,339	128,366	(61,093)	169,612
Designations processing income receivable	99,767	-	-	99,767
Other receivables	17,623	-	(13,362)	4,261
Prepaid expenses	163,172	2,561	-	165,733
Cash surrender value of life insurance	862	-	-	862
Total current assets	<u>21,050,897</u>	<u>817,684</u>	<u>(74,455)</u>	<u>21,794,126</u>
<b>Non-current assets</b>				
Capital projects in progress	7,227	-	-	7,227
Property and equipment, net	3,638,984	349,523	-	3,988,507
Quasi-endowed funds	3,708,059	-	-	3,708,059
Total non-current assets	<u>7,354,270</u>	<u>349,523</u>	<u>-</u>	<u>7,703,793</u>
Total assets	<u>28,405,167</u>	<u>1,167,207</u>	<u>(74,455)</u>	<u>29,497,919</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current liabilities</b>				
Designations payable	667,238	-	-	667,238
Accounts payable	348,447	60,097	(56,427)	352,117
Fiscal agent liability	37,500	-	-	37,500
Special funds held for agencies	161,971	-	-	161,971
Compensation related benefit payable	205,709	33,397	-	239,106
Grants payable	34,099	-	(18,028)	16,071
Total current liabilities	<u>1,454,964</u>	<u>93,494</u>	<u>(74,455)</u>	<u>1,474,003</u>
<b>Net Assets</b>				
<b>Without donor restrictions</b>				
Undesignated	12,752,651	970,717	-	13,723,368
Board designated for future capital and operating needs	12,021,282	-	-	12,021,282
Total net assets without donor restrictions	<u>24,773,933</u>	<u>970,717</u>	<u>-</u>	<u>25,744,650</u>
With donor restrictions	2,176,270	102,996	-	2,279,266
Total net assets	<u>26,950,203</u>	<u>1,073,713</u>	<u>-</u>	<u>28,023,916</u>
Total liabilities and net assets	<u>\$ 28,405,167</u>	<u>\$ 1,167,207</u>	<u>\$ (74,455)</u>	<u>\$ 29,497,919</u>

## United Way of the Midlands and Subsidiary

### CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions			
	United Way	Community Partners	Eliminations	Consolidated
<b>Revenues and other support</b>				
Gross campaign results prior years	\$ 359,412	\$ -	\$ -	\$ 359,412
Less, donor designations	(64,468)	-	-	(64,468)
Provision for uncollectible pledges	40,214	-	-	40,214
Net campaign revenue	<u>335,158</u>	<u>-</u>	<u>-</u>	<u>335,158</u>
Grants	-	412,500	(412,500)	-
Public support	-	430	-	430
Sponsorship	238,552	-	-	238,552
Accounting services income	178,609	-	-	178,609
Contracts	-	-	-	-
Special event revenue	41,929	-	-	41,929
Building rent income	16,660	-	-	16,660
Contributed nonfinancial assets	137,530	138,868	-	276,398
Investment income	733,051	-	-	733,051
Gains on investments	717,958	-	-	717,958
Planned gift revenue	242,049	-	-	242,049
Miscellaneous income	199,150	9,705	-	208,855
Campaign income released from restrictions	7,147,135	-	-	7,147,135
Grant and program assets released from restrictions	3,602,765	972,013	(867,533)	3,707,245
Total revenues and other support	<u>13,590,546</u>	<u>1,533,516</u>	<u>(1,280,033)</u>	<u>13,844,029</u>
<b>Expenses</b>				
Gross funds awarded & impact initiatives	6,180,878	-	(412,500)	5,768,378
Less, donor designations	(1,606,225)	-	-	(1,606,225)
Net funds awarded	<u>4,574,653</u>	<u>-</u>	<u>(412,500)</u>	<u>4,162,153</u>
Grants	3,030,887	1,486,520	(867,533)	3,649,874
Other program services	1,643,456	138,868	-	1,782,324
Total program services	<u>4,674,343</u>	<u>1,625,388</u>	<u>(867,533)</u>	<u>5,432,198</u>
Management and general	949,879	28,002	-	977,881
Fundraising	2,172,732	-	-	2,172,732
Total supporting services	<u>3,122,611</u>	<u>28,002</u>	<u>-</u>	<u>3,150,613</u>
Total expenses	<u>12,371,607</u>	<u>1,653,390</u>	<u>(1,280,033)</u>	<u>12,744,964</u>
Increase (decrease) in net assets	1,218,939	(119,874)	-	1,099,065
Net assets, beginning of year	<u>23,554,994</u>	<u>1,090,591</u>	<u>-</u>	<u>24,645,585</u>
Net assets, end of year	<u>\$ 24,773,933</u>	<u>\$ 970,717</u>	<u>\$ -</u>	<u>\$ 25,744,650</u>

## United Way of the Midlands and Subsidiary

### CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS YEAR ENDED JUNE 30, 2025

	With Donor Restrictions			Consolidated
	United Way	Community Partners	Eliminations	
<b>Revenues and other support</b>				
Gross campaign results 2024	\$ 6,383,396	\$ -	\$ -	\$ 6,383,396
Less, donor designations	(1,541,757)	-	-	(1,541,757)
Less, provision for uncollectible pledges	(334,957)	-	-	(334,957)
Other campaigns	2,080,185	-	-	2,080,185
Net campaign revenue	<u>6,586,867</u>	<u>-</u>	<u>-</u>	<u>6,586,867</u>
Grants	2,419,273	1,005,902	(867,533)	2,557,642
Annual campaign income released from restrictions	(7,147,135)	-	-	(7,147,135)
Grant funds released from restrictions	(3,602,765)	(972,013)	867,533	(3,707,245)
Total revenues and other support	<u>(1,743,760)</u>	<u>33,889</u>	<u>-</u>	<u>(1,709,871)</u>
Increase (decrease) in net assets	(1,743,760)	33,889	-	(1,709,871)
Net assets, beginning of year	<u>3,920,030</u>	<u>69,107</u>	<u>-</u>	<u>3,989,137</u>
Net assets, end of year	<u>\$ 2,176,270</u>	<u>\$ 102,996</u>	<u>\$ -</u>	<u>\$ 2,279,266</u>

## United Way of the Midlands and Subsidiary

### CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

	Distributions	Initiatives	Eliminations	Total Initiatives	Grants			
					United Way	Community Partners	Eliminations	Total Grants
<b>Expenses</b>								
RFP distributions	\$ 1,821,316	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Other payouts	50,000	1,066,279	(412,500)	653,779	50,000	-	-	50,000
Grants and subcontracts	799,375	76,880	-	76,880	1,747,790	-	(867,533)	880,257
Community events	-	13,673	-	13,673	10,899	-	-	10,899
Salaries	-	308,849	-	308,849	620,050	797,644	-	1,417,694
Benefits	-	96,751	-	96,751	148,463	197,074	-	345,537
Payroll taxes	-	24,715	-	24,715	47,007	61,360	-	108,367
Professional fees	-	79,628	-	79,628	203,185	82,072	-	285,257
Supplies	-	58,027	-	58,027	41,536	12,158	-	53,694
Dental supplies	-	-	-	-	-	80,559	-	80,559
Lab costs	-	-	-	-	-	72,859	-	72,859
Telephone	-	2,448	-	2,448	-	59,641	-	59,641
Postage	-	251	-	251	-	222	-	222
Occupancy	-	14,134	-	14,134	-	-	-	-
Equipment maintenance	-	15,580	-	15,580	500	9,048	-	9,548
Printing and advertising	-	34,937	-	34,937	7,447	3,592	-	11,039
Staff development	-	10,536	-	10,536	16,453	8,315	-	24,768
Membership dues	-	458	-	458	-	8,024	-	8,024
Insurance	-	4,428	-	4,428	-	4,052	-	4,052
Equipment/building	-	16,683	-	16,683	59,858	-	-	59,858
Depreciation	-	19,907	-	19,907	-	88,324	-	88,324
Other expenses	-	(45,055)	-	(45,055)	45,699	1,576	-	47,275
In-kind contribution of assets	-	23,890	-	23,890	32,000	-	-	32,000
United Way dues	-	30,963	-	30,963	-	-	-	-
Total functional expenses	<u>\$ 2,670,691</u>	<u>\$ 1,903,962</u>	<u>\$ (412,500)</u>	<u>\$ 1,491,462</u>	<u>\$ 3,030,887</u>	<u>\$ 1,486,520</u>	<u>\$ (867,533)</u>	<u>\$ 3,649,874</u>

## United Way of the Midlands and Subsidiary

### CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

	Other Program Services					Total Other Program Services
	Communication and Community Relations	Community Impact	Community Resources	Community Partners Other Program Services	Eliminations	
<b>Expenses</b>						
RFP distributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other payouts	-	-	-	-	-	-
Grants and subcontracts	-	-	-	-	-	-
Community events	756	9,799	2,878	-	-	13,433
Salaries	90,012	477,403	148,715	-	-	716,130
Benefits	26,211	116,458	28,258	-	-	170,927
Payroll taxes	7,084	39,078	11,925	-	-	58,087
Professional fees	24,089	116,045	15,944	-	-	156,078
Supplies	804	3,315	594	-	-	4,713
Dental supplies	-	-	-	-	-	-
Lab costs	-	-	-	-	-	-
Telephone	462	5,980	929	-	-	7,371
Postage	92	620	95	-	-	807
Occupancy	2,830	34,527	5,366	138,868	-	181,591
Equipment maintenance	2,943	47,599	5,915	-	-	56,457
Printing and advertising	131,080	4,780	1,372	-	-	137,232
Staff development	1,636	14,503	2,228	-	-	18,367
Membership dues	86	1,293	174	-	-	1,553
Insurance	836	10,817	1,681	-	-	13,334
Equipment/building	318	91,881	639	-	-	92,838
Depreciation	3,760	48,628	7,558	-	-	59,946
Other expenses	27	143	51	-	-	221
In-kind contribution of assets	-	-	-	-	-	-
United Way dues	5,849	75,635	11,755	-	-	93,239
Total functional expenses	<u>\$ 298,875</u>	<u>\$ 1,098,504</u>	<u>\$ 246,077</u>	<u>\$ 138,868</u>	<u>\$ -</u>	<u>\$ 1,782,324</u>

## United Way of the Midlands and Subsidiary

### CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

Expenses	Supporting Services						Total
	Management and General			Total Managemen and General	Fundraising	Total Supporting Services	
	United Way	Community Partners	Eliminations				
RFP distributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,871,316
Other payouts	-	-	-	-	-	-	753,779
Grants and subcontracts	-	-	-	-	-	-	1,756,512
Community events	5,224	-	-	5,224	151,013	156,237	194,242
Salaries	494,289	13,994	-	508,283	1,110,725	1,619,008	4,061,681
Benefits	122,361	3,692	-	126,053	297,466	423,519	1,036,734
Payroll taxes	39,745	1,115	-	40,860	88,700	129,560	320,729
Professional fees	79,230	8,205	-	87,435	188,599	276,034	796,997
Supplies	3,468	-	-	3,468	4,263	7,731	124,165
Dental supplies	-	-	-	-	-	-	80,559
Lab costs	-	-	-	-	-	-	72,859
Telephone	3,196	-	-	3,196	6,320	9,516	78,976
Postage	1,501	-	-	1,501	2,279	3,780	5,060
Occupancy	18,454	-	-	18,454	36,490	54,944	250,669
Equipment maintenance	20,342	-	-	20,342	40,222	60,564	142,149
Printing and advertising	4,128	45	-	4,173	54,899	59,072	242,280
Staff development	5,205	279	-	5,484	19,850	25,334	79,005
Membership dues	597	-	-	597	1,835	2,432	12,467
Insurance	5,781	175	-	5,956	11,431	17,387	39,201
Equipment/building	2,197	-	-	2,197	4,344	6,541	175,920
Depreciation	25,991	-	-	25,991	51,392	77,383	245,560
Other expenses	77,744	497	-	78,241	4,875	83,116	85,557
In-kind contribution of assets	-	-	-	-	18,095	18,095	73,985
United Way dues	40,426	-	-	40,426	79,934	120,360	244,562
Total functional expenses	<u>\$ 949,879</u>	<u>\$ 28,002</u>	<u>\$ -</u>	<u>\$ 977,881</u>	<u>\$ 2,172,732</u>	<u>\$ 3,150,613</u>	<u>\$ 12,744,964</u>