



**UNITED WAY OF FAIRFIELD COUNTY**

**Financial Statements and Supplementary Information**

**Years ended June 30, 2024 and 2023**

## UNITED WAY OF FAIRFIELD COUNTY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
United Way of Fairfield County  
Lancaster, Ohio

### Opinion

We have audited the financial statements of United Way of Fairfield County (the Agency), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Fairfield County as of June 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

We have previously audited the Organization's June 30, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 5, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of agency allocations were presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*SEO CPA Group, LTD*

SEO CPA Group, LTD  
Zanesville, Ohio

January 10, 2025

**United Way of Fairfield County  
Statements of Financial Position  
As of June 30, 2024 and 2023**

	<u><b>2024</b></u>	<u><b>2023</b></u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 490,793	\$ 682,259
Annual campaign pledges receivable, net	360,226	414,003
Grants receivable	8,437	6,160
Prepaid expenses	12,800	8,570
Beneficial interest in remainder trust held by others	24,000	-
Endowment funds	1,208,660	1,072,494
Total current assets	<u>2,104,916</u>	<u>2,183,486</u>
<b>Fixed Assets</b>		
Furniture and equipment	32,883	52,358
Leasehold improvements	3,842	3,842
Total fixed assets	<u>36,725</u>	<u>56,200</u>
Less: Accumulated depreciation	<u>(33,831)</u>	<u>(54,455)</u>
Net fixed assets	<u>2,894</u>	<u>1,745</u>
<b>Total Assets</b>	<u><u>\$ 2,107,810</u></u>	<u><u>\$ 2,185,231</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,263	\$ 6,751
Accrued payroll and related benefits	6,028	5,582
Accrued sponsorship commitments	7,500	14,000
Accrued special grant commitments	9,274	9,193
Community impact commitments	76,233	63,520
Deferred revenue	5,969	-
Due to other United Way counties and nonlocal charities	21,260	14,229
Total current liabilities	<u>127,527</u>	<u>113,275</u>
<b>Net assets</b>		
Net assets without donor restriction	468,666	654,225
Net assets with donor restriction	1,511,617	1,417,731
Total net assets	<u>1,980,283</u>	<u>2,071,956</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,107,810</u></u>	<u><u>\$ 2,185,231</u></u>

See independent auditors' report and notes to the financial statements.

**United Way of Fairfield County**  
**Statement of Activities**  
**For the year ended June 30, 2024**  
**(with summarized comparative totals for the year ended June 30, 2023)**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>Support and Revenue</b>				
Campaign Support				
Current year campaign support for future allocation period	\$ -	\$ 1,071,225	\$ 1,071,225	\$ 1,200,639
Out of area direct designations	-	82,437	82,437	87,925
Less: Provision for uncollectible pledges	-	(109,791)	(109,791)	(121,133)
Net support - current campaign	-	1,043,871	1,043,871	1,167,431
Prior year campaign support released from restriction in current year	1,056,826	(1,056,826)	-	-
Provision for uncollectible pledges	121,133	(121,133)	-	-
Net assets released from time restriction	1,177,959	(1,177,959)	-	-
Total Campaign Support	1,177,959	(134,088)	1,043,871	1,167,431
Operating Revenue				
Non-campaign contributions	111,956	65,020	176,976	123,433
Event income	15,592	-	15,592	19,067
Day of Action	1,500	3,000	4,500	1,255
Community Care Day	7,550	-	7,550	6,100
TCE income	26,131	8,569	34,700	20,535
VITA program income	18,359	5,659	24,018	19,752
Imagination library	-	64,456	64,456	90,191
Feeding our future	5,801	-	5,801	30,000
Other income	3,380	-	3,380	444
In-kind	5,025	-	5,025	12,540
Released from restriction	6,160	(6,160)	-	-
Total Operating Revenue	201,454	140,544	341,998	323,317
Non-Operating Revenue and Gains				
Interest and dividend income	44,869	17,596	62,465	27,440
Gain on investments, net of investment fees	45,842	69,834	115,676	82,789
Total Non-Operating Revenue and Gains	90,711	87,430	178,141	110,229
<b>Total Support and Revenue</b>	1,470,124	93,886	1,564,010	1,600,977
<b>Expenses</b>				
Program services expenses	1,378,517	-	1,378,517	1,339,587
Supporting services expenses				
Management and general	81,306	-	81,306	87,375
Fundraising and development	195,860	-	195,860	179,779
Total supporting services expenses	277,166	-	277,166	267,154
<b>Total Expenses</b>	1,655,683	-	1,655,683	1,606,741
<b>Change In Net Assets</b>	(185,559)	93,886	(91,673)	(5,764)
<b>Beginning Net Assets</b>	654,225	1,417,731	2,071,956	2,077,720
<b>Ending Net Assets</b>	\$ 468,666	\$ 1,511,617	\$ 1,980,283	\$ 2,071,956

**United Way of Fairfield County  
Statement of Functional Expenses  
For the year ended June 30, 2024**

	Program Services	Supporting Services Management and General	Fundraising and Development	Total
Salaries	\$ 112,770	\$ 50,626	\$ 92,566	\$ 255,962
Payroll taxes and benefits	13,926	7,704	16,314	37,944
Employee benefits	1,889	1,189	2,518	5,596
Designations and award allocations	1,056,826	-	-	1,056,826
Program expenses	166,132	-	-	166,132
Rent	2,796	2,805	2,796	8,397
Professional services	4,867	4,582	10,134	19,583
Information technology	3,035	5,368	4,758	13,161
Insurance	-	2,159	-	2,159
Dues	8,471	207	8,581	17,259
Office expenses	4,060	2,922	3,765	10,747
Advertising	-	790	21,184	21,974
Bank fees	891	-	3,124	4,015
Events	1,854	-	28,785	30,639
Conference, meeting, travel	1,000	630	1,335	2,965
Depreciation	-	2,324	-	2,324
<b>Total Expenses on the Statement of Activities</b>	<b>\$ 1,378,517</b>	<b>\$ 81,306</b>	<b>\$ 195,860</b>	<b>\$ 1,655,683</b>

See independent auditors' report and notes to the financial statements.

**United Way of Fairfield County**  
**Statement of Functional Expenses**  
**For the year ended June 30, 2023**

	Program	Supporting Services		
	Services	Management and General	Fundraising and Development	Total
Salaries	\$ 129,286	\$ 45,181	\$ 82,267	\$ 256,734
Payroll taxes and benefits	15,082	7,212	15,271	37,565
Employee benefits	1,900	1,196	2,533	5,629
Designations and award allocations	1,022,636	-	-	1,022,636
Program expenses	142,429	-	-	142,429
Rent	2,822	2,831	2,822	8,475
Professional services	8,355	8,115	12,092	28,562
Information technology	1,673	4,617	5,129	11,419
Consulting fees	-	3,780	-	3,780
Insurance	-	2,159	-	2,159
Dues	7,221	352	7,407	14,980
Office expenses	6,380	5,960	5,978	18,318
Advertising	-	3,326	17,629	20,955
Bank fees	52	-	864	916
Events	520	-	26,144	26,664
Conference, meeting, travel	1,231	775	1,643	3,649
Depreciation	-	1,871	-	1,871
<b>Total Expenses on the Statement of Activities</b>	<b>\$ 1,339,587</b>	<b>\$ 87,375</b>	<b>\$ 179,779</b>	<b>\$ 1,606,741</b>

See independent auditors' report and notes to the financial statements.



**United Way of Fairfield County**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2024 and 2023**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Change in net assets	\$ (91,673)	\$ (5,764)
Adjustments to reconcile change in total net assets to net cash from operating activities:		
Depreciation	2,324	1,871
Net (gain) on investments	(116,206)	(83,279)
(Increase) decrease in operating assets:		
Annual campaign pledges receivable, net	53,777	92,297
Grants receivable	(2,277)	714
Accounts receivable	-	6,329
Prepaid expenses	(4,230)	1,715
Beneficial interest in remainder trust held by others	(24,000)	-
Increase (decrease) in operating liabilities:		
Accounts payable	(5,488)	(2,409)
Accrued payroll	446	2,946
Accrued sponsorship commitments	(6,500)	(2,300)
Accrued special grant commitments	81	2,293
Community impact commitments	12,713	(36,176)
Deferred revenue	5,969	-
Due to other United Way counties and nonlocal charities	7,031	(2,089)
Net cash (used for) operating activities	<u>(168,033)</u>	<u>(23,852)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment earnings reinvested	(33,188)	(18,012)
Investment contributions reinvested	(5,896)	(85,905)
Investment withdrawals	15,651	-
Net cash (used for) investing activities	<u>(23,433)</u>	<u>(103,917)</u>
<b>NET (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	(191,466)	(127,769)
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF PERIOD</b>	<u>682,259</u>	<u>810,028</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF PERIOD</b>	<u>\$ 490,793</u>	<u>\$ 682,259</u>

See independent auditors' report and notes to the financial statements.

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature and Scope of Agency

United Way of Fairfield County (“the Agency”) was incorporated under the laws of the State of Ohio on October 9, 1940, as a nonprofit Agency to stimulate interest in programs and prompt the general welfare of charitable, educational, character building, health and welfare, and social agencies in Fairfield County. The Agency receives its source of revenue primarily from campaign contributions.

Basis of Accounting and Financial Statement Presentation

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

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

*Net Assets without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Agency. These net assets may be used at the discretion of the Agency’s management and the board.

*Net Assets with Donor Restrictions* – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature and will be met by actions of the Agency or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Restricted revenues whose restrictions are met in the same reporting period are shown as unrestricted revenues. All expenses and net losses other than losses on donor-restricted endowment investments are reported as decreases in net assets without donor restrictions. Net gains on donor-restricted endowment investments increase net assets with donor restrictions, and net losses on endowment investments reduce that net asset class.

Financial Instruments

The carrying amount of the Agency’s cash and cash equivalents, annual campaign pledges receivables, other assets, accounts payable, and other liabilities approximate fair value primarily because of the short maturity of these instruments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Pledge Receivable

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. Pledge receivables are shown at their net realizable value. Uncollectible accounts are charged to operations during the period in which they are determined to be uncollectible based on an average of actual uncollected accounts.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid expenses using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expense is reported in the fiscal year in which the services are consumed.

Beneficial Interest in Remainder Trust Held by Others

The Agency has been named as an irrevocable beneficiary of a remainder trust held and administered by an independent trustee. This trust was created independently by a donor and is administered by an outside agent designated by the donor. Therefore, the Agency has neither possession nor control over the assets of the trust.

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Beneficial Interest in Remainder Trust Held by Others (Continued)

At the date that a notice is received of a beneficial interest, a contribution with donor restrictions is recorded in the statement of activities, and a beneficial interest in remainder trust held by others is recorded in the statement of financial position at fair value using present value techniques and a risk-adjusted discount rate designed to reflect the assumptions market participants would use in pricing the expected distributions to be received under the agreement. Thereafter, the beneficial interest in the trust is reported at fair value in the statement of financial position, with changes in fair value recognized in the statement of activities as other donations. Upon receipt of trust distributions in satisfaction of the donor-restricted purpose, if any, net assets with donor-imposed time or purpose restrictions are released to net assets without donor restrictions.

Investments

Investments, including money market funds, corporate bonds, stocks, partnerships, mutual funds, certificates of deposit, and government agency securities are stated at fair value based on quoted market values. Investments in cash management funds are stated at cost, which approximates fair value. Net realized and unrealized gains and losses on investments are reflected in the statement of activities.

Fixed Assets

Property and equipment are recorded at cost. Repairs and maintenance are charged to operations when incurred, and additions and improvements are capitalized. The Agency capitalizes assets with costs exceeding \$1,000. Upon retirement or other disposition of property and equipment, the cost and related accumulated depreciation are removed from the accounts with the resulting gain or loss included in the statement of activities.

Depreciation is computed using the straight-line method over the estimated useful lives of the asset as follows:

Furniture and equipment	3-7 years
Leasehold improvements	10 years

Depreciation expense for the years ended June 30, 2024 and 2023 was \$2,324 and \$1,871, respectively.

Donated Assets

Donated assets are recorded at their estimated fair market value at the date of the donation. When sold, the fair market value at the date of the donation is used as the basis of the asset. Fair value estimates are based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility. The Agency utilizes or monetizes these nonfinancial assets depending on the circumstances. The Agency recognized no contributed nonfinancial assets during the year ended June 30, 2024 and 2023.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Operating revenue is recognized in the period that services are rendered or associated costs are incurred.

Donated Services

The Agency received donated services from a variety of unpaid volunteers assisting the Agency with specific assistance programs, campaign solicitations and various committee assignments. No amounts for these services have been recognized in the accompanying statements of activities because the services performed by volunteers do not require specialized skills. Contributed services that do meet the criteria for recognition are recorded at fair value in the period to which the underlying services related as in-kind contributions and expenses on the statement of activities. Fair value estimates are based upon estimates of fair market values that would be received for the services in their principal market.

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Advertising Costs

Advertising costs are expensed as incurred and totaled \$21,974 and \$20,955 for the years ended June 30, 2024 and 2023, respectively.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited, including salaries; payroll taxes and benefits; employee benefits; rent; professional services; information technology; dues; office expenses; advertising; bank fees; events; and conference, meeting, travel, which are allocated on the basis of estimates of time and effort or usage.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Risks and Uncertainties

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

Income Taxes

The Agency is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes is reflected in the accompanying financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Agency and recognize a tax liability (or asset) if the Agency has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Agency has analyzed the tax positions taken by the Agency, and has concluded that as of June 30, 2024, there are no uncertain positions taken or expected to be taken that would require recognition (or asset) or disclosure in the financial statements. The Agency is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Agency believes it is no longer subject to income tax examinations for years prior to 2021.

Concentration of Credit Risk

The Agency operates in Fairfield County, Ohio. Its major funding sources are located in Fairfield and surrounding counties. The Agency and funding sources are dependent upon the economic conditions of the area.

The Agency maintains its cash balances at financial institutions that may at various times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Agency does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Change in Accounting Principle

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. The ASU requires financial assets measured at amortized cost (including loans, trade receivables and held-to-maturity debt securities) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The ASU requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct writedown. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the statement of income as the amounts expected to be collected change. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Agency adopted the pronouncement as of July 1, 2023 using the modified retrospective approach. There was no cumulative effect adjustment to the opening balance of net assets required.

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE B – LIQUIDITY AND AVAILABILITY**

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

Cash and cash equivalents	\$ 490,793
Annual campaign pledges receivable, net	360,226
Grants receivable	8,437
Beneficial interest in remainder trust held by others receivable in less than one year	24,000
Endowment funds	1,208,660
Total financial assets	<u>2,092,116</u>
Less:	
Donor restricted cash	406,837
Donor restricted receivables	392,663
Donor restricted endowments	712,117
Board restricted endowments	496,543
Board restricted money market	202,933
Unrestricted amount available for general expenditures within one year	<u>\$ (118,977)</u>

The Agency's goal is generally to maintain financial assets to meet 12 months of operating expenses, including allocations to partner agencies. As part of its liquidity plan, excess cash can be invested in short-term investments, including money market accounts and certificates of deposit, as well as long-term investments.

Donor restricted assets consists of campaign revenue designated for future agency allocations, grants, the Campaign Endowment Fund, the Fairfield Affordable Housing Fund, and the Sherry Orlando Endowment Fund.

Board restricted assets consist of certain funds designated by the Board to be used for programs that are designated to promote the mission of the Agency and the Stifel money market which can be used for current operations.

**NOTE C – ANNUAL CAMPAIGN PLEDGES RECEIVABLE**

A summary of annual campaign pledges, annual campaign pledges receivable, and allowance for uncollectible pledges at June 30, 2024 and 2023 is as follows:

June 30, 2024				
Pledges from the:	Original amounts of pledges	Pledges receivable	Allowance for uncollectible pledges	Net pledges receivable
2024 Campaign	\$ 245,026	\$ 171,172	\$ 15,218	\$ 155,954
2023 Campaign	1,332,424	277,854	73,582	204,272
	<u>\$ 1,577,450</u>	<u>\$ 449,026</u>	<u>\$ 88,800</u>	<u>\$ 360,226</u>

  

June 30, 2023				
Pledges from the:	Original amounts of pledges	Pledges receivable	Allowance for uncollectible pledges	Net pledges receivable
2023 Campaign	\$ 287,226	\$ 184,035	\$ 17,346	\$ 166,689
2022 Campaign	1,357,171	327,598	80,284	247,314
	<u>\$ 1,644,397</u>	<u>\$ 511,633</u>	<u>\$ 97,630</u>	<u>\$ 414,003</u>

The funding for agency allocations and grants is awarded on a fiscal year basis.

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE D – BENEFICIAL INTEREST IN REMAINDER TRUST HELD BY OTHERS**

The Agency is a named beneficiary in an irrevocable trust agreement from a single donor, the assets of which are not in the Agency's possession. Distributions will be received at various times as the remaining assets of the trust are liquidated. The Agency is entitled to a 3% share of the remainder trust. In July 2024, the Agency received a \$24,000 partial distribution of its share of the trust. The only known assets remaining in the trust as of the date the financial statements were available to be issued consist of three properties which are currently listed for sale. Given the uncertainty of the timing and value of the property sales, no estimate of the Agency's beneficial interest in these sale proceeds has been recorded as of June 30, 2024.

The funds may be used for general operations when received. Accordingly, the beneficial interest in remainder trusts held by others is included in net assets with donor restrictions until the amounts have been received, at which time they will be reclassified to net assets without donor restrictions.

The beneficial interest in remainder trust held by others has been recorded at fair value. The account is in the control of a trustee and management has no authority over the assets until they are distributed. The expected future cash receipts receivable in less than one year are \$24,000 as of June 30, 2024.

**NOTE E – ENDOWMENT FUND**

The Agency's endowments consist of funds designated by donors and the Agency's Board to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Agency's endowment funds are held by the Fairfield County Foundation.

The United Way Campaign Endowment Fund is donor restricted and will provide an annual gift to the campaign. The Sherry Orlando Endowment Fund is donor restricted and will be used to make an annual gift to the Agency. The Fairfield Affordable Housing Program Fund is donor restricted for youth housing.

The United Way Investment Fund is board restricted for emergency reserves and can be used to support the growth and prosperity of the Agency. The Live United Program Fund is board restricted to be used for programs that help achieve the Agency's bold goals in the areas of education, income and health.

The Agency has adopted investment and spending policies, approved by the Board of Directors, that attempt to provide a predictable stream of funding for the Agency's operations while maintaining the purchasing power of those endowment assets over the long-term. Endowment assets held by Fairfield County Foundation are invested in a well-diversified mix that is intended to result in lower volatility and risk of loss of principal while providing adequate investment return and liquidity.

The following table represents the changes in endowment net assets at June 30, 2024 and 2023:

	United Way Campaign Endowment Fund	Sherry Orlando Endowment Fund	Fairfield Affordable Housing Program	United Way Investment Fund	Live United Program
Balance, June 30, 2022	\$ 406,613	\$ 17,201	\$ 104,618	\$ 270,511	\$ 86,355
Contributions	45,235	-	-	113	40,561
Interest and dividends	8,329	338	2,061	5,321	1,963
Draws	-	-	-	-	-
Fees	(2,796)	(200)	(675)	(3,146)	(682)
Gains (losses)	42,026	1,685	10,284	26,501	10,278
Balance, June 30, 2023	\$ 499,407	\$ 19,024	\$ 116,288	\$ 299,300	\$ 138,475
Contributions	5,620	-	-	277	-
Interest and dividends	13,852	522	3,222	8,282	3,837
Draws	(15,053)	(598)	-	-	-
Fees	(3,447)	(229)	(788)	(3,640)	(939)
Gains (losses)	58,548	2,202	13,547	34,818	16,133
Balance, June 30, 2024	\$ 558,927	\$ 20,921	\$ 132,269	\$ 339,037	\$ 157,506

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE E – ENDOWMENT FUND (CONTINUED)**

An allocation of types of investments, percentages held in each type, and approximate fair market value (FMV) amounts invested in each type at June 30, 2024 follows:

	United Way Endowment Fund		Sherry Orlando Endowment Fund		Fairfield Affordable Housing Program	
	<u>FMV</u>	<u>Percent</u>	<u>FMV</u>	<u>Percent</u>	<u>FMV</u>	<u>Percent</u>
Government agencies	\$ 1,901	0.34%	\$ 71	0.34%	\$ 450	0.34%
Corporate bonds	46,670	8.35%	1,747	8.35%	11,044	8.35%
Stocks	93,006	16.64%	3,481	16.64%	22,010	16.64%
Partnerships	2,012	0.36%	75	0.36%	476	0.36%
Certificates of deposit	1,565	0.28%	59	0.28%	370	0.28%
Mutual funds	368,165	65.87%	13,781	65.87%	87,126	65.87%
Money markets	45,608	8.16%	1,707	8.16%	10,793	8.16%
Total	<u>\$ 558,927</u>	<u>100.00%</u>	<u>\$ 20,921</u>	<u>100.00%</u>	<u>\$ 132,269</u>	<u>100.00%</u>

	United Way Investment Fund		Live United Program	
	<u>FMV</u>	<u>Percent</u>	<u>FMV</u>	<u>Percent</u>
Government agencies	\$ 1,152	0.34%	\$ 535	0.34%
Corporate bonds	28,310	8.35%	13,152	8.35%
Stocks	56,416	16.64%	26,209	16.64%
Partnerships	1,221	0.36%	567	0.36%
Certificates of deposit	949	0.28%	441	0.28%
Mutual funds	223,324	65.87%	103,749	65.87%
Money markets	27,665	8.16%	12,853	8.16%
Total	<u>\$ 339,037</u>	<u>100.00%</u>	<u>\$ 157,506</u>	<u>100.00%</u>

An allocation of types of investments, percentages held in each type, and approximate fair market value (FMV) amounts invested in each type at June 30, 2023 follows:

	United Way Endowment Fund		Sherry Orlando Endowment Fund		Fairfield Affordable Housing Program	
	<u>FMV</u>	<u>Percent</u>	<u>FMV</u>	<u>Percent</u>	<u>FMV</u>	<u>Percent</u>
Government agencies	\$ 1,698	0.34%	\$ 65	0.34%	\$ 395	0.34%
Corporate bonds	41,700	8.35%	1,589	8.35%	9,710	8.35%
Stocks	83,102	16.64%	3,166	16.64%	19,350	16.64%
Partnerships	1,798	0.36%	68	0.36%	419	0.36%
Certificates of deposit	1,398	0.28%	53	0.28%	326	0.28%
Mutual funds	328,959	65.87%	12,531	65.87%	76,599	65.87%
Money markets	40,752	8.16%	1,552	8.16%	9,489	8.16%
Total	<u>\$ 499,407</u>	<u>100.00%</u>	<u>\$ 19,024</u>	<u>100.00%</u>	<u>\$ 116,288</u>	<u>100.00%</u>

	United Way Investment Fund		Live United Program	
	<u>FMV</u>	<u>Percent</u>	<u>FMV</u>	<u>Percent</u>
Government agencies	\$ 1,018	0.34%	\$ 471	0.34%
Corporate bonds	24,992	8.35%	11,563	8.35%
Stocks	49,803	16.64%	23,041	16.64%
Partnerships	1,077	0.36%	498	0.36%
Certificates of deposit	838	0.28%	388	0.28%
Mutual funds	197,149	65.87%	91,214	65.87%
Money markets	24,423	8.16%	11,300	8.16%
Total	<u>\$ 299,300</u>	<u>100.00%</u>	<u>\$ 138,475</u>	<u>100.00%</u>

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE F – FAIR VALUE MEASUREMENT**

Generally accepted accounting principles define fair value, and establish a framework for measuring fair value that categorizes and prioritizes the sources used to measure and disclose fair values. Fair value is defined 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 (an exit price). A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none"> <li>• quoted prices for similar assets or liabilities in active markets;</li> <li>• quoted prices for identical or similar assets or liabilities in inactive markets;</li> <li>• inputs other than quoted prices that are observable market data for the asset or liability;</li> <li>• inputs that are derived principally from or corroborated by observable market data.</li> </ul> If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset 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.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

*Common stocks, equities, corporate bonds and notes, and partnerships:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Mutual funds:* Valued at the net asset value (NAV) of shares held at year end.

*Certificates of deposit and money markets:* Valued at cost plus earnings accrued, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables present the Agency's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2024 and 2023, respectively. The Agency had no recurring Level 3 assets or liabilities during 2024 and 2023.

	June 30, 2024		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Government agencies	\$ 4,109	\$ -	\$ 4,109
Corporate bonds	100,923	-	100,923
Stocks	201,121	-	201,121
Partnerships	4,351	-	4,351
Certificates of deposit	-	3,384	3,384
Mutual funds	796,145	-	796,145
Money markets	98,627	-	98,627
Total	<u>\$ 1,205,276</u>	<u>\$ 3,384</u>	<u>\$ 1,208,660</u>



**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE F – FAIR VALUE MEASUREMENT (CONTINUED)**

	June 30, 2023		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Government agencies	\$ 3,647	\$ -	\$ 3,647
Corporate bonds	89,554	-	89,554
Stocks	178,462	-	178,462
Partnerships	3,860	-	3,860
Certificates of deposit	-	3,003	3,003
Mutual funds	706,452	-	706,452
Money markets	87,516	-	87,516
Total	<u>\$ 1,069,491</u>	<u>\$ 3,003</u>	<u>\$ 1,072,494</u>

**NOTE G – SPECIAL GRANT COMMITMENTS**

The Agency committed to sponsor tax programs for low-income and elderly county residents and to sponsor a program for the well-being of children and families through special grants. However, there are some situations when the Agency's special grants are not paid during the year. At June 30, 2024 and 2023, the unexpended agency commitments for Agency special grants were \$9,274 and \$9,193, respectively.

**NOTE H – COMMUNITY IMPACT COMMITMENTS**

The Agency administers Dolly Parton's Imagination Library, an early literacy program for children ages birth to five. The Agency also administers the Feeding our Future program to feed elementary school aged children at risk for food scarcity once a month during the school year. These programs are funded through sponsorships and grants. At June 30, 2024 and 2023, the unexpended agency commitments for these programs were \$76,233 and \$63,520, respectively.

**NOTE I – DONOR DESIGNATION – OTHER UNITED WAY COUNTIES AND NONLOCAL CHARITIES**

The Agency receives revenue for other United Way Counties and nonlocal charities. Current year campaign revenues designated by donors to other United Way counties and nonlocal charities are disbursed in the following year. For the years ended June 30, 2024 and 2023, designations paid out were \$42,389 and \$16,840, respectively. Donor designations unpaid at June 30, 2024 and 2023 are \$21,260 and \$14,229, respectively. These proceeds are included on the statements of financial position as Due to other United Way counties and nonlocal charities. These amounts are net of administrative fees charged by the United Way of Fairfield County.

**NOTE J – OUT OF AREA DIRECT DESIGNATIONS**

Nationwide offers a match for all employee donations. Employees are permitted to designate to nonprofits other than United Way. Payments to those nonprofits are made directly by Nationwide. However, Nationwide still pays the corporate match to the employee's local United Way. Local United Ways report the donations directly designated as revenue and as an expense but do not collect nor initiate the payments. During the years ended June 30, 2024 and 2023, out of area direct designations amounted to \$82,437 and \$87,925, respectively.

**NOTE K – LEASES**

Practical Expedients

The Agency has elected the practical expedient not to reassess whether any expired or existing contracts are or contain leases, the lease classification for any expired or existing leases, and initial direct costs for any existing leases. As a result, all leases classified as capital leases in accordance with ASC 840 will be classified as finance leases, and all leases classified as operating leases in accordance with ASC 840 will be classified as operating leases.

The Agency has elected the practical expedient to account for short-term leases (12-month term or less) by recognizing the lease payments in the change in net assets on a straight-line basis over the term of the lease.

**UNITED WAY OF FAIRFIELD COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE K – LEASES (CONTINUED)**

Short-Term Leases

The Agency leases office space from the Lancaster City School District of Lancaster, Ohio. On May 24, 2022, a new lease was entered into effective July 1, 2022 through June 30, 2023 at \$4,772 per quarter and is renewable for an additional period at the option of the parties and at a lease rate as agreed to between the parties. On June 27, 2023, a lease was entered into effective July 1, 2023 through June 30, 2024 at \$4,772 per quarter and is renewable for an additional period at the option of the parties and at a lease rate as agreed to between the parties.

The Agency leases a copier with a commencement date in September 2019 and 60 monthly payments of \$157. Management has elected to treat the agreement as a short-term lease due to the immaterial remaining value of the associated right-of-use asset and lease liability.

The Agency leases a postage meter with a commencement date in March 2021 and 60 monthly payments of \$41. Management has elected to treat the agreement as a short-term lease due to the immaterial remaining value of the associated right-of-use asset and lease liability.

Rent paid for short-term leases during the years ended June 30, 2024 and 2023 was \$11,291 and \$10,899, respectively, and is recorded in rent and office expenses on the statement of functional expenses.

Future minimum lease payments associated with deemed short-term leases are as follows:

June 30,		
2025	\$	647
2026		286
Total	\$	<u>933</u>

**NOTE L – RETIREMENT PLAN**

For all full-time employees who have been employed for one year, United Way contributes a non-elective contribution equal to 2% of the employee's salary to a qualified SIMPLE IRA. There is no vesting schedule, and United Way provides to all eligible employees whether or not they contribute. Contributions to the plan, included in employee benefits on the statements of functional expenses, were \$5,596 and \$5,629 during the years ended June 30, 2024 and 2023, respectively.

**NOTE M – IN KIND CONTRIBUTIONS**

Donated services for the years ended June 30, 2024 and 2023, included in the financial statements, were as follows:

	<u>2024</u>	<u>2023</u>
Accounting services	\$ -	\$ 6,950
Contracted professional services	2,800	3,500
Marketing services	<u>2,225</u>	<u>2,090</u>
Total	<u>\$ 5,025</u>	<u>\$ 12,540</u>

**NOTE N – RELATED PARTY TRANSACTIONS**

During the years ended June 30, 2024 and 2023, the Agency paid membership dues to United Way Worldwide in the amount of \$16,284 and \$13,326, respectively.

During fiscal year 2024, a former board member was hired as executive director of the Agency.

During fiscal year 2024, a board member's son was employed at the Agency as the campaign and event coordinator.

**NOTE O – SUBSEQUENT EVENTS**

The financial statements and related disclosures include evaluation of the events up through and including January 10, 2025, which is the date the statements were available for issue.

**United Way of Fairfield County**  
**Supplemental Schedules of Agency Allocations**  
**For the years ended June 30, 2024 and 2023**

	<b>Amount Paid</b>	
	<b>Year ended June 30, 2024</b>	<b>Year ended June 30, 2023</b>
<b>EDUCATION</b>		
Big Brothers/Big Sisters	\$ 60,000	\$ 50,500
Boy Scouts of America	7,500	10,000
Girl Scouts of Ohio Heartland	25,000	20,000
Mid-Ohio Psychological Services	10,000	10,000
Maywood Mission	60,000	60,000
Robert K Fox Family Y	34,500	53,000
Pickerington Local School District W.I.S.E. Program	53,500	53,500
Fairfield County Literacy Council	2,000	-
Victory Center Food Pantry	30,000	-
<b>HEALTH</b>		
Fairfield Center for Disabilities and Cerebral Palsy	95,000	88,000
Robert K Fox Family Y Scholarship Fund	19,500	22,000
Harcum House/Child Advocacy Center	40,000	31,000
New Horizons	52,000	60,000
Salvation Army	60,000	60,000
<b>INCOME</b>		
American Red Cross	12,000	10,000
Canal Winchester Human Services	15,000	15,000
Information and Referral	86,000	85,000
The Lighthouse	60,000	60,000
Foundation Dinners	5,000	30,000
Lancaster-Fairfield County Community Action Food Pantry	50,000	50,000
Lutheran Social Services Emergency Shelter	50,000	45,000
Lutheran Social Services Food Pantry	20,000	22,000
Pickerington Food Pantry	55,000	59,500
Fairfield County Teen Works	5,000	-
Foundation Shelters	20,000	-
Hardbarger Impact Ministries	5,000	-
<b>AGENCY ALLOCATIONS</b>	<b>932,000</b>	<b>894,500</b>
Support organization allocations	-	39,161
<b>TOTALS</b>	<b>\$ 932,000</b>	<b>\$ 933,661</b>

See independent auditors' report.