

***UNITED WAY OF MCLEAN COUNTY***

***ANNUAL FINANCIAL REPORT***

***For the fiscal year ended December 31, 2024***



**UNITED WAY OF MCLEAN COUNTY**

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**December 31, 2024**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
United Way of McLean County

### Opinion

We have audited the accompanying financial statements of United Way of McLean County (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of McLean County as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of McLean County 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 financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

*MCK CPAs & Advisors*

Bloomington, Illinois  
March 14, 2025

**UNITED WAY OF MCLEAN COUNTY**

**STATEMENTS OF FINANCIAL POSITION  
December 31, 2024 and 2023**

	2024	2023
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 588,996	941,856
Investments	431,201	410,196
Contributions receivable	87,811	116,886
Prepaid expenses	5,733	5,424
	<hr/>	<hr/>
Total current assets	1,113,741	1,474,362
Other assets:		
Investments - Restricted	199,900	199,900
	<hr/>	<hr/>
TOTAL ASSETS	1,313,641	1,674,262
	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued liabilities	116,196	45,734
Designations payable	22,791	43,611
	<hr/>	<hr/>
Total liabilities	138,987	89,345
Net assets:		
Without donor restrictions	509,510	936,298
Without donor restrictions - board designated	465,244	432,696
With donor restrictions	199,900	215,923
	<hr/>	<hr/>
Total net assets	1,174,654	1,584,917
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	\$ 1,313,641	1,674,262
	<hr/> <hr/>	<hr/> <hr/>

See Notes to Financial Statements.

**UNITED WAY OF MCLEAN COUNTY**

**STATEMENT OF ACTIVITIES**

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and other revenue:</b>			
Donor pledges	\$ 542,054		542,054
Less: Designations to other agencies	(27,085)		(27,085)
Grant income	2,284		2,284
Special events revenue	63,513		63,513
Less: Special events related expenses	(40,238)		(40,238)
Sponsorship income	4,510		4,510
Membership income	6,510		6,510
Interest and dividend income	45,695		45,695
Realized and unrealized gain on investments	51,322		51,322
Other income	4,052		4,052
Net assets released from restrictions: Restrictions satisfied by payments	16,023	(16,023)	-
<b>Total support and other revenue</b>	<b>668,640</b>	<b>(16,023)</b>	<b>652,617</b>
<b>Expenses:</b>			
Program services			
Pathways to Prosperity	495,105		495,105
Community Partnerships	206,217		206,217
180United	65,406		65,406
<b>Total program services</b>	<b>766,728</b>	<b>-</b>	<b>766,728</b>
Supporting services			
Management and general	128,171		128,171
Fundraising	167,981		167,981
<b>Total supporting services</b>	<b>296,152</b>	<b>-</b>	<b>296,152</b>
<b>Total expenses</b>	<b>1,062,880</b>	<b>-</b>	<b>1,062,880</b>
<b>Change in net assets</b>	<b>(394,240)</b>	<b>(16,023)</b>	<b>(410,263)</b>
<b>Net assets at beginning of year</b>	<b>1,368,994</b>	<b>215,923</b>	<b>1,584,917</b>
<b>Net assets at end of year</b>	<b>\$ 974,754</b>	<b>199,900</b>	<b>1,174,654</b>

See Notes to Financial Statements.

**UNITED WAY OF MCLEAN COUNTY**

**STATEMENT OF ACTIVITIES**

**Year ended December 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenue:			
Donor pledges	\$ 653,167		653,167
Less: Designations to other agencies	(48,984)		(48,984)
Sponsorship income	1,500		1,500
Special events revenue	98,298		98,298
Less: Special events related expenses	(106,961)		(106,961)
Sponsorship income	23,100	67,682	90,782
Membership income	7,130		7,130
Interest and dividend income	50,154		50,154
Realized and unrealized gain on investments	63,059		63,059
Other income	8,277		8,277
Net assets released from restrictions: Restrictions satisfied by payments	51,659	(51,659)	-
Total support and other revenue	<u>800,399</u>	<u>16,023</u>	<u>816,422</u>
Expenses:			
Program services			
Pathways to Prosperity	378,498		378,498
Community Partnerships	181,940		181,940
180United	48,673		48,673
Total program services	<u>609,111</u>	<u>-</u>	<u>609,111</u>
Supporting services			
Management and general	89,185		89,185
Fundraising	328,205		328,205
Total supporting services	<u>417,390</u>	<u>-</u>	<u>417,390</u>
Total expenses	<u>1,026,501</u>	<u>-</u>	<u>1,026,501</u>
Change in net assets	<u>(226,102)</u>	<u>16,023</u>	<u>(210,079)</u>
Net assets at beginning of year	<u>1,595,096</u>	<u>199,900</u>	<u>1,794,996</u>
Net assets at end of year	<u>\$ 1,368,994</u>	<u>215,923</u>	<u>1,584,917</u>

See Notes to Financial Statements.

**UNITED WAY OF MCLEAN COUNTY**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year ended December 31, 2024**

	<b>Program Services</b>		
	<b>Pathways to Prosperity</b>	<b>Community Partnerships</b>	<b>180United</b>
Professional salaries	\$ 125,325	64,908	28,261
Clerical salaries	15,472	3,868	3,868
Health plan expense	15,683	9,157	4,503
Disability/term insurance	559	412	170
Thrift/employer match	7,254	4,093	1,989
Dental and vision	576	390	171
Payroll taxes	11,017	5,148	2,479
Employee benefits	432		
Audit fees			
Meetings expense			
Office supplies	234	234	234
Campaign expense	50,599	21,686	14,457
Technology support	31,182	13,364	8,909
Postage/freight	51		
Rent	340		
Internet and telephone	566		
Finance charges	98		
Mileage & parking	619	1,239	309
Conferences/training			
Dues			
Property insurance			
Director/Officer Liab Ins.			
Miscellaneous	2,770		
Contributions			56
Community investments	198,345	81,718	
DPIL expenses	33,983		
Janitorial expenses			
United Way dues			
<b>Total expenses</b>	<b>\$ 495,105</b>	<b>206,217</b>	<b>65,406</b>

See Notes to Financial Statements.

<u>Supporting Services</u>		
<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
40,630	45,638	304,762
7,751	7,736	38,695
6,678	9,005	45,026
219	340	1,700
4,411	3,454	21,201
233	343	1,713
3,683	4,049	26,376
371	431	1,234
	11,500	11,500
	3,266	3,266
234	234	1,170
28,914	45,861	161,517
17,819	17,819	89,093
26	51	128
335	2,557	3,232
485	737	1,788
342	6,616	7,056
309	619	3,095
	600	600
1,371		1,371
	2,481	2,481
	413	413
3,722	1,606	8,098
	2,625	2,681
125		280,188
		33,983
80		80
10,433		10,433
<b>128,171</b>	<b>167,981</b>	<b>1,062,880</b>

**UNITED WAY OF MCLEAN COUNTY**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year ended December 31, 2023**

	Program Services		
	Pathways to Prosperity	Community Partnerships	180United
Professional salaries	\$ 144,049	50,476	40,191
Contractual services	179		
Health plan expense	15,485	6,450	1,915
Disability/term insurance	544	299	71
Thrift/employer match	9,617	3,630	2,972
Dental and vision	675	348	88
Payroll taxes	11,158	3,804	3,224
Employee benefits	334		
Audit fees	3,885		
Meetings expense	90	348	186
Office supplies	2,028	186	26
Campaign expense			
Technology support	13,846		
Postage/freight			
Rent	52		
Internet and telephone	623		
Finance charges		7	
Mileage & parking	79	143	
Conferences/training	66		
Dues			
Property insurance	831		
Professional fees			
Miscellaneous	1,560		
Contributions			
Community investments	173,397	64,590	
DPIL expenses		51,659	
United Way dues			
<b>Total expenses</b>	<b>\$ 378,498</b>	<b>181,940</b>	<b>48,673</b>

See Notes to Financial Statements.

<u>Supporting Services</u>		
<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
49,720	52,105	336,541
153	178	510
6,952	7,492	38,294
205	319	1,438
3,564	3,927	23,710
266	379	1,756
3,848	3,928	25,962
286	697	1,317
3,330	3,885	11,100
2,592	678	3,894
910	1,196	4,346
5	186,355	186,360
11,793	37,855	63,494
	164	164
45	2,156	2,253
534	624	1,781
	7,683	7,690
1,352	9	1,583
137	386	589
800	176	976
713	1,067	2,611
	232	232
1,980	3,575	7,115
	413	413
		237,987
		51,659
	12,726	12,726
<u>89,185</u>	<u>328,205</u>	<u>1,026,501</u>

**UNITED WAY OF MCLEAN COUNTY**

**STATEMENTS OF CASH FLOWS**

**Years ended December 31, 2024 and 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	<b>\$ (410,263)</b>	(210,079)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Realized and unrealized gain on securities	<b>(51,322)</b>	(63,059)
(Increase) decrease in assets:		
Contributions receivable	<b>29,075</b>	(37,793)
Employee retention credit receivable		69,781
Prepaid expenses	<b>(309)</b>	(371)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	<b>70,462</b>	19,996
Designations payable	<b>(20,820)</b>	17,074
<b>Net cash flows from operating activities</b>	<b>(383,177)</b>	(204,451)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	<b>(41,990)</b>	(61,912)
Proceeds from sales/maturities of investments	<b>72,307</b>	53,298
<b>Net cash flows from investing activities</b>	<b>30,317</b>	(8,614)
Net decrease in cash and cash equivalents	<b>(352,860)</b>	(213,065)
Cash and cash equivalents, beginning of year	<b>941,856</b>	1,154,921
Cash and cash equivalents, end of year	<b>\$ 588,996</b>	941,856

See Notes to Financial Statements.

## UNITED WAY OF MCLEAN COUNTY

### NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

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#### Note 1 - Summary of Activities and Significant Accounting Policies

##### Summary of Activities

United Way of McLean County (United Way) is a not-for-profit organization whose mission is to improve lives by mobilizing the caring power of the community to advance the common good. Together United Way will connect and engage all sectors of the community, leverage community resources, and hold itself and others accountable. United Way raises money, allocates funds, and plans for the effective use of contributed dollars. United Way focuses on Youth and Families, concentrating its funding on projects and programs within this focus area in order to maximize impact on the community. Much of this funding for projects and initiatives is summarized in the line “Community Investments”. Some examples of the expenditures/investments found in this line item include, but are not limited to: Workforce180, a program to remove barriers at-risk youth may face when entering the workforce, and ThriveMind, an initiative in partnership with Carle BroMenn to address behavioral health issues affecting local teens.

United Way is a nonprofit corporation registered in the State of Illinois and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Therefore, United Way has made no provision for federal income taxes in the accompanying financial statements. In addition, United Way has been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

##### Significant Accounting Policies

**Financial Statement Presentation:** United Way is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

United Way has elected to record certain donor-restricted contributions and other receivables, including long-lived assets, as unrestricted support, since substantially all the restrictions are met in the reporting period received.

**Net Assets with Donor Restrictions:** Net assets subject to donor-imposed stipulations that may or will be met, either by the actions of United Way and/or the passage of time. When a restriction is met or expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. As of December 31, 2024 and 2023, United Way had \$ 199,900 and \$ 215,923, respectively, of net assets with donor restrictions.

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## UNITED WAY OF MCLEAN COUNTY

### NOTES TO FINANCIAL STATEMENTS (Continued) December 31, 2024 and 2023

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#### Note 1 - Summary of Activities and Significant Accounting Policies, continued

##### Significant Accounting Policies, continued

**Furniture, Fixtures and Equipment:** United Way follows the practice of capitalizing, at cost, all expenditures for furniture, fixtures and equipment which are of a more permanent nature and of a significant cost. United Way's capitalization policy includes a significant cost threshold of \$ 1,500. For donated assets, the approximate fair value at the date of donation is capitalized. Depreciation of furniture, fixtures and equipment is computed using the straight-line method over estimated useful lives of three to seven years. As of December 31, 2024 and 2023, there are no items that meet the capitalization threshold.

**Expense Allocation:** United Way's expenses have been summarized by their natural classification in the statements of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Administrative expenses include those that are not directly identifiable with any other specific function, but provide for the overall support and direction of United Way.

**Promises to Give:** Contributions are recognized when the donor makes a promise to give to United Way that is, in substance, unconditional. Contributions with donor restrictions that are designated for future periods or for specific purposes are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

**Investments:** Investments are stated at market value. Investment income is classified as without donor restriction. Income from the Barker Fund and Major Gifts Fund is designated by the Board for use towards the general reserve. Income from the EDP Endowment, Covey Funds, and Harrington Fund is designated by the Board for specific uses.

**Donated Assets:** Donated assets are reflected as contributions in the accompanying statements at their estimated fair market value at the date of the gift.

**Contributed Services:** Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization. United Way receives donated services as part of its fundraising campaign. However, the fair value of these services are not valued or recognized as contributions in the financial statements since the recognition criteria were not met.

**Compensated Absences:** United Way's obligation for employees' rights to receive compensation for future absences for vacation pay was recorded at \$ 21,052 and \$ 15,302, respectively, as of December 31, 2024 and 2023. Sick leave is cumulative up to ninety days; however, unused sick leave is not reimbursable.

**Restricted Support:** Donor pledges designated to specific agencies or programs are allocated to those agencies or programs. Then, undesignated pledges are used to fund the remaining programs. The designations are recorded as revenue without donor restriction since they are used in substantially the same manner as pledges without donor restriction. Donor designated pledges are recognized as part of the annual campaign, and then recorded as designation liabilities until paid.

**UNITED WAY OF MCLEAN COUNTY**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2024 and 2023**

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**Note 2 - Cash and Cash Equivalents**

United Way considers all investments available for current use with an original maturity of three months or less to be cash equivalents.

Cash and cash equivalents at December 31, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Cash in bank and checking	\$ 7,958	19,545
Money market funds	54,309	38,915
Insured cash sweep accounts	526,647	883,314
Petty cash	82	82
	<u>82</u>	<u>82</u>
Total	<u>\$ 588,996</u>	<u>941,856</u>

**Note 3 - Concentration of Credit Risk**

United Way maintains its operating cash balances in one financial institution located in Bloomington, Illinois. The Federal Deposit Insurance Corporation (FDIC) insures the balances up to \$ 250,000. In addition, United Way has either placed its deposits in insured cash sweep accounts, or entered into Repurchase Agreements with the financial institution. Under these agreements, the financial institution will sweep funds to and from United Way's deposit accounts for the purchases and sales of securities in order to maintain a pre-determined target balance within the accounts. At December 31, 2024 and 2023, all of United Way's deposits were either insured by FDIC or covered by the Repurchase Agreements.

**Note 4 - Investments**

Investments are reported at fair market value. A summary of cost and market value for investments at December 31, 2024 and 2023 is as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Fair Value</u>	<u>Cost or Amortized Cost</u>	<u>Fair Value</u>	<u>Cost or Amortized Cost</u>
Cash and cash equivalents	\$ 22,120	22,064	18,552	18,496
Equity investments	392,268	229,700	367,862	242,419
Fixed income investments	185,713	206,384	194,332	212,942
Alternative investments	31,000	29,387	29,350	29,399
	<u>31,000</u>	<u>29,387</u>	<u>29,350</u>	<u>29,399</u>
Total investments	<u>\$ 631,101</u>	<u>487,535</u>	<u>610,096</u>	<u>503,256</u>

## UNITED WAY OF MCLEAN COUNTY

### NOTES TO FINANCIAL STATEMENTS (Continued) December 31, 2024 and 2023

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#### Note 4 - Investments, continued

The following schedule summarizes the investment return for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 45,695	50,154
Net realized gain	14,650	1,066
Net unrealized gain	<u>36,672</u>	<u>61,993</u>
Net investment income	<u>\$ 97,017</u>	<u>113,213</u>

The investments listed above are uninsured and uncollateralized.

#### Note 5 - Fair Value Measurements

United Way follows the fair value accounting guidance related to financial assets and liabilities. The guidance defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosures about fair value measurements. It also establishes a fair value hierarchy that prioritizes the inputs used to measure fair value:

- Level 1:* Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities traded in active markets.
- Level 2:* Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3:* Inputs that are generally unobservable. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities measured at fair value on a recurring basis during the years ended December 31, 2024 and 2023 are the investments shown in Note 4. United Way uses quoted prices in active markets for identical assets to determine their fair value. Thus the entire \$ 631,101 and \$ 610,096 respectively, are considered to be Level 1 instruments. There was no change in this valuation technique during the years ended December 31, 2024 and 2023.

There were no assets and liabilities measured at fair value on a nonrecurring basis during the years ended December 31, 2024 and 2023.

**UNITED WAY OF MCLEAN COUNTY**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2024 and 2023**

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**Note 6 - Thrift Plan**

United Way has established a Thrift Plan under Section 403(b) of the Internal Revenue Code. Full and part-time employees are eligible to make personal contributions to the 403(b) retirement plan on their first day of employment. United Way contributes seven percent of the employee's annual salary following one year of employment. Prior continuous employment within the United Way system will count toward the one-year eligibility requirement. Part-time employees must work a minimum of 1,000 hours per year to be eligible to receive the United Way contribution. Contributions by United Way totaled \$ 21,201 and \$ 23,710, respectively for the years ended December 31, 2024 and 2023.

**Note 7 - Restrictions and Designations of Net Asset Balances**

**Net Assets with Donor Restrictions**

Net asset balances with donor restrictions at December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
<u>EDP Endowment</u>		
The principal balance in this account was donated in 1981 and, at the donor's request, held intact in perpetuity. The income from the account can be used to help defray EDP costs.	<b>\$ 99,900</b>	99,900
<u>Harrington Endowment</u>		
The principal balance in this account was donated in 2013 and, at the donor's request, held intact in perpetuity. The income from the account can be used for annual campaign expenses.	<b>100,000</b>	100,000
<u>Dolly Parton Imagination Library</u>		
Contributions and sponsorships received to be used for the Dolly Parton Imagination Library, a partnership with the Dollywood Foundation to provide free books to eligible children in McLean County.	-	16,023
Total Net Assets with Donor Restrictions	<b><u>\$ 199,900</u></b>	<b><u>215,923</u></b>

UNITED WAY OF MCLEAN COUNTY

NOTES TO FINANCIAL STATEMENTS (Continued)  
December 31, 2024 and 2023

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**Note 7 - Restrictions and Designations of Net Asset Balances, continued**

**Net Assets without Donor Restrictions - Board Designated**

Net asset balances without donor restrictions, but board designated, at December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
<u>Designated for Investment – EDP Fund</u> This designation represents amounts set aside by the Board to be used to help defray the costs of EDP (technology) related expenses.	<b>\$ 19,284</b>	31,560
<u>Designated for Investment – Harrington Fund</u> This designation represents amounts set aside by the Board to be used to help defray annual campaign expenses.	<b>40,047</b>	31,070
<u>Designated for Investment – Barker Fund</u> This designation represents amounts in excess of those to be used for the General Reserve set aside by the Board to be used to help defray annual campaign expenses.	<b>214,409</b>	162,166
<u>Designated for Agency Awards</u> This fund designation originated as a result of the Board’s recognition of Phil Covey, son of Harold Covey, who provided several years of service to United Way. The funds were received in commemoration of Mr. Covey’s son, who died in a car accident. A portion of these funds is used by United Way each year to honor one organization with an award for good service.	<b>25,782</b>	23,661
<u>Designated for Junior Leadership Academy</u> This designation represents the amounts set aside by the Board to be used to help with the costs of the Junior Leadership Academy, an effort to provide local at-risk youth with opportunities for leadership development, service, and connection to careers available locally.	<b>22,500</b>	22,500
<u>Dolly Parton Imagination Library</u> This designation represents the amounts set aside by the Board to be used for the Dolly Parton Imagination Library, a partnership with the Dollywood Foundation to provide free books to eligible children in McLean County.	<b>11,543</b>	-
<u>Designated for General Reserves</u> This designation represents amounts set aside by the Board to be used at its discretion. The total amount to be set aside in the General Reserve is calculated as three months of next year’s administration budget plus one month of current year core funding. The General Reserve policy includes monies from the Barker Fund and Major Gifts Fund, instead of designating them separately, with supplemental funding to be taken from net assets without donor restrictions.		

**UNITED WAY OF MCLEAN COUNTY**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2024 and 2023**

**Note 7 - Restrictions and Designations of Net Asset Balances, continued**

**Net Assets without Donor Restrictions - Board Designated, continued**

	2024	2023
<u>Barker Fund</u>		
Ernestine Barker willed income from certain assets of her estate to a trust from which United Way received earnings for use as part of the annual campaign. At the time, the Board decided that since the amount to be received was substantial, it should be set aside with the annual earnings on the gift being added to the campaign. The Board drew up guidelines for administration of the gift designated as endowment by the Board.	\$ 131,602	161,667
<u>Major Gifts Fund</u>		
The Board has a policy stating that unrestricted non-campaign gifts received in amounts of \$ 20,000 or more be designated to a special “United Way Major Gifts Fund” and invested. On May 1 each year, 10% of the March 31 net asset balance is contributed to that year’s campaign. No new gifts were designated to the fund during the years ended December 31, 2024 and 2023. The designated amount has been adjusted for the change in the investment.	77	72
Total Net Assets Without Donor Restrictions – Board Designated	\$ 465,244	432,696

**Note 8 - Special Events**

The following reflects the revenue received and expenses incurred, including in-kind contributions, pertaining to the special events for the years ended December 31, 2024 and 2023.

	2024		
	Total Revenue	Total Expenses	Net Special Events Income (Loss)
Power of the Purse (including \$ 306 of in-kind)	\$63,513	34,320	29,193
Women United		5,918	(5,918)
Total	\$63,513	40,238	23,275

## UNITED WAY OF MCLEAN COUNTY

### NOTES TO FINANCIAL STATEMENTS (Continued) December 31, 2024 and 2023

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#### Note 8 - Special Events, continued

	2023		
	Total Revenue	Total Expenses	Net Special Events Income (Loss)
Power of the Purse(including \$ 14,220 of in-kind)	\$ 83,051	82,725	326
Power of the Pub	14,185	14,185	-
Women United		4,787	(4,787)
Covey Award Event	1,062	5,264	(4,202)
Total	\$ 98,298	106,961	(8,663)

#### Note 9 - Uncertainty in Income Taxes

United Way files a Form 990 (Return of Organization Exempt from Income Tax) annually. There were no uncertain tax benefits identified and recorded as a liability as of December 31, 2024. Forms 990 filed by United Way for the years ended June 30, 2021, 2022, and 2023, are subject to examination by the Internal Revenue Service (IRS), generally for three years after they are filed.

#### Note 10 - Liquidity and Availability of Resources

United Way has \$ 1,108,008 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash and cash equivalents of \$ 588,996, investments of \$ 431,201 and receivables of \$ 87,811. The receivables are subject to implied time restrictions, but are expected to be collected within one year. Best practices suggest maintaining financial assets on hand to meet 60 days of normal operating expenses. United Way has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

#### Note 11 - Commitment

Effective July 1, 2022, United Way entered into a contract with a strategist for nonprofits for the purpose of creating a strong fundraising infrastructure and donor pipeline. The contract was for eighteen months, through December 31, 2023, and included a monthly retainer of \$ 8,500. The contract could be cancelled after month six by either party with thirty days' notice. However, cancellation would require a payout equal to 60% of the entire contract fee. At the end of that contract, a new contract was entered into for an additional twelve months, going through December 31, 2024, at a new monthly retainer amount of \$ 7,200. Subsequent to December 31, 2024, another contract was entered into for an additional twelve months, going through December 31, 2025, at the same monthly retainer amount of \$ 7,200.

## **UNITED WAY OF MCLEAN COUNTY**

### **NOTES TO FINANCIAL STATEMENTS (Continued)** **December 31, 2024 and 2023**

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#### **Note 11 - Commitment, continued**

In addition, United Way has also entered into contracts with a company for the purpose of supporting the communications and donor strategy, and overall marketing needs of United Way, by providing ongoing marketing strategy, design, messaging, and project management. Each contract is for twelve months, ending December 31, and includes monthly retainer amounts set by quarter. The 2024 contract included monthly retainer amounts as follows: \$ 6,970 during first quarter 2024, \$ 2,500 during second quarter 2024, \$ 3,000 during third quarter 2024, and \$ 4,950 during fourth quarter 2024. The contract entered into for 2025 includes the following monthly retainer amounts: \$ 7,000 during first quarter 2025, \$ 3,250 during second quarter 2025, \$ 3,250 during third quarter 2025, and \$ 4,500 during fourth quarter 2025.

#### **Note 12 - Subsequent Events**

United Way has evaluated events occurring subsequent to December 31, 2024 as to their potential impact to the financial statements through March 14, 2025, which is the date the financial statements were available to be issued.