

**UNITED WAY QUAD CITIES**  
**Bettendorf, Iowa**  
**FINANCIAL STATEMENTS**  
**and**  
**INDEPENDENT AUDITOR'S REPORT**  
**June 30, 2024 and 2023**

**UNITED WAY QUAD CITIES**  
June 30, 2024 and 2023

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## **INDEPENDENT AUDITOR'S REPORT**

To Board of Directors  
United Way Quad Cities

### **Opinion**

We have audited the accompanying financial statements of United Way Quad Cities (an Iowa nonprofit corporation), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, changes in net assets, 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 Quad Cities as of June 30, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way Quad Cities 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.

### **Change in Accounting Principle**

As discussed in Notes 3 and 19 to the Financial Statements, United Way Quad Cities changed its method of accounting for leases as of July 1, 2022, in accordance with the adoption of Accounting Standards Codification (ASC) Topic 842, *Leases*. Our opinion is not modified with respect to this matter.

### **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 Quad Cities' ability to continue as a going concern within one year after the date that the 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 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 Quad Cities 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 Quad Cities 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.

*Odoni Partners, LLC*

Moline, Illinois  
November 4, 2024

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2024 and 2023

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**ASSETS**

	<b>2024</b>	<b>2023</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,609,620	\$ 1,741,183
Cash restricted for CAP fiscal agent	405,843	662,999
Certificates of deposit	3,852,145	3,784,431
Unconditional promises to give:		
Campaign, net	2,616,836	2,549,818
Other, net	102,777	65,296
Other receivables	143,228	154,506
Prepaid expenses	29,840	26,477
	<b>\$ 8,760,289</b>	<b>\$ 8,984,710</b>
<b>INVESTMENTS-ENDOWMENT</b>	<b>\$ 3,737,560</b>	<b>\$ 3,465,859</b>
<b>PROPERTY AND EQUIPMENT</b>		
Office equipment and technology	\$ 298,545	\$ 289,114
Building	1,010,842	1,010,842
	<b>\$ 1,309,387</b>	<b>\$ 1,299,956</b>
Total property and equipment		
Less accumulated depreciation	506,397	453,600
	<b>\$ 802,990</b>	<b>\$ 846,356</b>
Net property and equipment		
<b>OTHER ASSETS</b>		
Certificates of deposit	\$ 250,000	\$ 255,022
Unconditional promises to give:		
Other, net - less current maturities	9,615	18,861
Right-of-use asset for operating lease, net	14,990	18,222
	<b>\$ 274,605</b>	<b>\$ 292,105</b>
Total other assets		
Total assets	<b>\$ 13,575,444</b>	<b>\$ 13,589,030</b>

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**LIABILITIES AND NET ASSETS**

	<u>2024</u>	<u>2023</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 272,457	\$ 123,266
Allocations payable to agencies	2,889,575	2,911,497
Due to CAP Fiscal Agent	405,843	662,999
Designations payable	52,500	50,731
Mortgage payable - current portion	62,470	59,770
Operating lease liability - current portion	<u>3,641</u>	<u>3,531</u>
Total current liabilities	<u>\$ 3,686,486</u>	<u>\$ 3,811,794</u>
Long-term liabilities:		
Mortgage payable - less current portion	\$ 54,195	\$ 116,665
Operating lease liability - less current portion	<u>11,349</u>	<u>14,691</u>
Total long-term liabilities	<u>\$ 65,544</u>	<u>\$ 131,356</u>
Total liabilities	<u>\$ 3,752,030</u>	<u>\$ 3,943,150</u>
<b>NET ASSETS</b>		
Without donor restriction		
Board designated	\$ 3,502,845	\$ 3,156,518
Unrestricted for equity in building and equipment	686,325	669,921
Undesignated	<u>1,295,933</u>	<u>1,066,223</u>
Total net assets without donor restriction	<u>\$ 5,485,103</u>	<u>\$ 4,892,662</u>
With donor restriction		
Operations	\$ 4,088,661	\$ 4,425,230
Endowment	<u>249,650</u>	<u>327,988</u>
Total net assets with donor restriction	<u>\$ 4,338,311</u>	<u>\$ 4,753,218</u>
Total net assets	<u>\$ 9,823,414</u>	<u>\$ 9,645,880</u>
Total liabilities and net assets	<u>\$ 13,575,444</u>	<u>\$ 13,589,030</u>

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

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF ACTIVITIES**  
For the Year Ended June 30, 2024

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
<b>PUBLIC SUPPORT AND REVENUE</b>			
Public support:			
Annual campaign	\$ -	\$ 4,725,642	\$ 4,725,642
Endowment contributions	(57,102)	-	(57,102)
Loaned executive reimbursement	-	-	-
Gain on prior year's campaign	-	51,653	51,653
Sponsorship revenue	92,325	-	92,325
Designation fees	7,599	-	7,599
Contributions of nonfinancial assets	101,766	-	101,766
Total public support	<u>\$ 144,588</u>	<u>\$ 4,777,295</u>	<u>\$ 4,921,883</u>
Revenue:			
Interest and dividends, net	\$ 268,076	\$ 2,864	\$ 270,940
Net unrealized gain on investments	332,060	23,768	355,828
Net realized gain on investments	50,357	3,624	53,981
Wish list	-	12,335	12,335
United for Schools	-	325,646	325,646
Volunteer income tax assistance	-	20,000	20,000
Education	-	754	754
Imagination library	-	512	512
Women United	-	135,422	135,422
Emerging Leaders	-	130,304	130,304
Volunteer Engagement	-	19,132	19,132
African American Leadership Society	-	11,226	11,226
UW Operations Capacity	-	21,320	21,320
Vision To Learn	-	79,000	79,000
Early Education	-	33,448	33,448
Employee Retention Credit	138,228	-	138,228
Miscellaneous	-	72,354	72,354
Net assets released from restrictions- satisfaction of program restrictions	6,083,911	(6,083,911)	-
Total revenue	<u>\$ 6,872,632</u>	<u>\$ (5,192,202)</u>	<u>\$ 1,680,430</u>
Total public support and revenue	<u>\$ 7,017,220</u>	<u>\$ (414,907)</u>	<u>\$ 6,602,313</u>
<b>EXPENSES</b>			
Program services	\$ 4,775,379	\$ -	\$ 4,775,379
Fundraising	777,739	-	777,739
Administration	871,661	-	871,661
Total expenses	<u>\$ 6,424,779</u>	<u>\$ -</u>	<u>\$ 6,424,779</u>
Increase in net assets	<u>\$ 592,441</u>	<u>\$ (414,907)</u>	<u>\$ 177,534</u>

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

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF ACTIVITIES**  
For the Year Ended June 30, 2023

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
<b>PUBLIC SUPPORT AND REVENUE</b>			
Public support:			
Annual campaign	\$ -	\$ 4,878,124	\$ 4,878,124
Endowment contributions	96,774	-	96,774
Loaned executive reimbursement	-	30,000	30,000
Gain on prior year's campaign	-	68,165	68,165
Sponsorship revenue	67,900	-	67,900
Designation fees	18,635	-	18,635
Contributions of nonfinancial assets	81,614	-	81,614
Total public support	<u>\$ 264,923</u>	<u>\$ 4,976,289</u>	<u>\$ 5,241,212</u>
Revenue:			
Interest and dividends, net	\$ 147,507	\$ 3,272	\$ 150,779
Net unrealized gain on investments	193,224	20,469	213,693
Net realized gain on investments	63,752	6,868	70,620
Wish list	-	34,365	34,365
Volunteer income tax assistance	-	31,278	31,278
Education	-	37,956	37,956
Imagination library	-	2,991	2,991
Women United	-	153,976	153,976
Emerging Leaders	-	32,221	32,221
Volunteer Engagement	-	39,270	39,270
African American Leadership Society	-	20,670	20,670
UW Operations Capacity	-	23,335	23,335
United for Equity	-	2,513	2,513
United for Schools	-	52,750	52,750
Vision To Learn	-	61,350	61,350
Employee Retention Credit	122,981	-	122,981
Miscellaneous	-	49,626	49,626
Net assets released from restrictions- satisfaction of program restrictions	5,017,003	(5,017,003)	-
Total revenue	<u>\$ 5,544,467</u>	<u>\$ (4,444,093)</u>	<u>\$ 1,100,374</u>
Total public support and revenue	<u>\$ 5,809,390</u>	<u>\$ 532,196</u>	<u>\$ 6,341,586</u>
<b>EXPENSES</b>			
Program services	\$ 4,234,729	\$ -	\$ 4,234,729
Fundraising	578,593	-	578,593
Administration	840,809	-	840,809
Total expenses	<u>\$ 5,654,131</u>	<u>\$ -</u>	<u>\$ 5,654,131</u>
Increase in net assets	<u>\$ 155,259</u>	<u>\$ 532,196</u>	<u>\$ 687,455</u>

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



**UNITED WAY QUAD CITIES**  
**STATEMENTS OF CHANGES IN NET ASSETS**  
For the Years Ended June 30, 2024 and 2023

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	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Net assets - June 30, 2022	\$ 4,737,403	\$ 4,221,022	\$ 8,958,425
Change in net assets	<u>155,259</u>	<u>532,196</u>	<u>687,455</u>
Net assets - June 30, 2023	\$ 4,892,662	\$ 4,753,218	\$ 9,645,880
Change in net assets	<u>592,441</u>	<u>(414,907)</u>	<u>177,534</u>
Net assets - June 30, 2024	<u>\$ 5,485,103</u>	<u>\$ 4,338,311</u>	<u>\$ 9,823,414</u>

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

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2024

<b>EXPENSES</b>	<b>Program</b>		
	<b>Community Investment</b>	<b>Community Impact</b>	<b>United Way Initiatives</b>
Community Partners and Initiatives	\$ 2,790,520	\$ 58,706	\$ 744,060
Compensation			
Professional salaries	\$ 84,101	\$ 230,803	\$ 189,613
Clerical salaries	-	-	-
Employee benefits	17,369	40,746	25,452
Payroll taxes	6,919	19,703	16,689
Total compensation	\$ 108,389	\$ 291,252	\$ 231,754
Professional fees and contract service payments	5,411	13,861	4,488
Supplies	3,678	10,210	3,972
Telephone	630	1,848	1,597
Postage and shipping	301	830	308
Occupancy	1,902	5,035	2,355
Interest	397	1,046	506
Insurance	1,256	3,138	1,998
Rental and maintenance of equipment	500	1,323	618
Operating lease expense	230	610	280
Printing, publications, and films	312	31,815	17,506
Local travel	974	3,534	3,259
Conferences and meetings	378	1,588	4,161
Membership dues	110	279	162
United Way Worldwide dues	4,097	10,967	4,788
IA & IL Association dues	-	7,457	-
Bank & credit card fees	-	-	-
Sponsorship expense	1,246	10,710	2,530
Wish list expense	29,985	-	-
2-1-1 implementation	-	-	-
Total expenses before depreciation	\$ 2,950,316	\$ 454,209	\$ 1,024,342
Depreciation	3,433	9,376	3,565
Contributed nonfinancial assets	-	32,718	-
Total functional expenses	<u>\$ 2,953,749</u>	<u>\$ 496,303</u>	<u>\$ 1,027,907</u>

**Services**

<b>Volunteer Engagement</b>	<b>Labor</b>	<b>Information Technology for Programs</b>	<b>Total Program Services</b>
\$ 18,452	\$ -	\$ -	\$ 3,611,738
\$ 91,510	\$ 40,622	\$ 35,884	\$ 672,533
1,571	-	-	1,571
8,414	10,289	7,429	109,699
7,857	3,446	3,261	57,875
\$ 109,352	\$ 54,357	\$ 46,574	\$ 841,678
13,223	1,667	1,255	39,905
5,143	2,110	1,581	26,694
940	328	131	5,474
413	191	96	2,139
2,869	1,076	699	13,936
608	224	149	2,930
2,169	685	564	9,810
753	283	184	3,661
344	130	84	1,678
2,467	353	41	52,494
1,121	1,210	288	10,386
775	82	51	7,035
182	61	46	840
6,004	2,334	1,441	29,631
-	-	-	7,457
-	-	-	-
-	7,595	-	22,081
-	-	-	29,985
-	-	-	-
\$ 164,815	\$ 72,686	\$ 53,184	\$ 4,719,552
4,754	1,981	-	23,109
-	-	-	32,718
\$ 169,569	\$ 74,667	\$ 53,184	\$ 4,775,379

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**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2024

<b>EXPENSES</b>	<u>Fundraising</u>	<u>Administrative</u>	
	<u>Resource Development/ Major Gifts</u>	<u>Finance</u>	<u>Information Technology for Management</u>
Community Partners and Initiatives	\$ -	\$ -	\$ -
Compensation			
Professional salaries	\$ 308,247	\$ 105,271	\$ 58,548
Clerical salaries	26,791	1,011	-
Employee benefits	52,971	19,903	12,121
Payroll taxes	28,421	8,636	5,320
Total compensation	\$ 416,430	\$ 134,821	\$ 75,989
Professional fees and contract service payments	86,482	25,931	2,047
Supplies	17,802	5,051	2,579
Telephone	3,253	386	214
Postage and shipping	6,415	294	156
Occupancy	7,672	1,996	1,141
Interest	1,621	426	244
Insurance	5,650	1,598	920
Rental and maintenance of equipment	2,014	524	299
Operating lease expense	922	239	136
Printing, publications, and films	71,306	115	66
Local travel	5,405	828	470
Conferences and meetings	4,137	193	82
Membership dues	797	132	76
United Way Worldwide dues	16,149	4,120	2,350
IA & IL Association dues	-	-	-
Bank & credit card fees	-	16,158	-
Sponsorship expense	70,244	-	-
Wish list expense	-	-	-
2-1-1 implementation	-	-	-
Total expenses before depreciation	\$ 716,299	\$ 192,812	\$ 86,769
Depreciation	12,941	3,169	22,722
Contributed nonfinancial assets	48,499	-	6,000
Total functional expenses	<u>\$ 777,739</u>	<u>\$ 195,981</u>	<u>\$ 115,491</u>

<b>Marketing and Brand Strategy</b>	<b>Other Administrative</b>	<b>Total Administrative</b>	<b>Total 2024</b>
\$ -	\$ -	\$ -	\$ 3,611,738
\$ 217,792	\$ 102,848	\$ 484,459	\$ 1,465,239
-	4,046	5,057	33,419
25,208	14,108	71,340	234,010
18,316	8,731	41,003	127,299
\$ 261,316	\$ 129,733	\$ 601,859	\$ 1,859,967
11,056	3,043	42,077	168,464
8,544	3,331	19,505	64,001
1,769	681	3,050	11,777
666	264	1,380	9,934
4,616	1,825	9,578	31,186
978	386	2,034	6,585
3,482	1,370	7,370	22,830
1,212	479	2,514	8,189
554	219	1,148	3,748
79,121	111	79,413	203,213
2,035	868	4,201	19,992
1,704	518	2,497	13,669
292	115	615	2,252
9,663	3,824	19,957	65,737
-	-	-	7,457
-	-	16,158	16,158
-	-	-	92,325
-	-	-	29,985
-	-	-	-
\$ 387,008	\$ 146,767	\$ 813,356	\$ 6,249,207
8,828	3,037	37,756	73,806
8,500	6,049	20,549	101,766
\$ 404,336	\$ 155,853	\$ 871,661	\$ 6,424,779

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

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2023

	<b>Program</b>		
	<b>Community Investment</b>	<b>Community Impact</b>	<b>United Way Initiatives</b>
<b>EXPENSES</b>			
Community Partners and Initiatives	\$ 2,852,009	\$ 36,737	\$ 230,278
Compensation			
Professional salaries	\$ 86,557	\$ 185,006	\$ 107,212
Clerical salaries	-	-	19,175
Employee benefits	17,821	34,814	9,265
Payroll taxes	7,411	16,032	11,542
Total compensation	\$ 111,789	\$ 235,852	\$ 147,194
Professional fees and contract service payments	14,107	17,369	5,750
Supplies	1,266	3,064	2,133
Telephone	417	1,019	2,544
Postage and shipping	463	1,159	737
Occupancy	1,977	4,900	3,389
Interest	496	1,225	882
Insurance	1,285	3,078	2,827
Rental and maintenance of equipment	499	1,235	853
Operating lease expense	268	665	456
Printing, publications, and films	209	34,424	7,671
Local travel	973	2,189	3,036
Conferences and meetings	1,807	5,044	3,961
Membership dues	638	1,586	1,073
United Way Worldwide dues	3,982	9,956	6,335
IA & IL Association dues	-	7,949	-
Bank & credit card fees	-	-	-
Sponsorship expense	-	38,000	-
Wish list expense	34,138	-	-
2-1-1 implementation	-	-	473
Total expenses before depreciation	\$ 3,026,323	\$ 405,451	\$ 419,592
Depreciation	2,173	5,432	3,457
Contributed nonfinancial assets	-	42,423	-
Total functional expenses	<u>\$ 3,028,496</u>	<u>\$ 453,306</u>	<u>\$ 423,049</u>

<b>Services</b>			
<b>Volunteer Engagement</b>	<b>Labor</b>	<b>Information Technology for Programs</b>	<b>Total Program Services</b>
\$ 38,191	\$ -	\$ -	\$ 3,157,215
\$ 102,955	\$ 39,179	\$ 34,356	\$ 555,265
5,425	84	-	24,684
17,131	7,594	6,522	93,147
9,399	3,171	2,836	50,391
\$ 134,910	\$ 50,028	\$ 43,714	\$ 723,487
7,790	1,546	1,305	47,867
2,001	626	535	9,625
716	190	167	5,053
799	253	208	3,619
3,276	1,087	901	15,530
805	274	228	3,910
1,776	730	622	10,318
827	274	150	3,838
446	147	199	2,181
7,627	2,740	77	52,748
1,334	602	312	8,446
3,070	1,045	864	15,791
1,070	350	290	5,007
6,878	2,172	1,788	31,111
-	-	-	7,949
-	-	-	-
-	-	-	38,000
-	-	-	34,138
-	-	-	473
\$ 211,516	\$ 62,064	\$ 51,360	\$ 4,176,306
3,753	1,185	-	16,000
-	-	-	42,423
\$ 215,269	\$ 63,249	\$ 51,360	\$ 4,234,729

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**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2023

<b>EXPENSES</b>	<u><b>Fundraising</b></u>	<u><b>Administrative</b></u>	
	<u><b>Resource Development/ Major Gifts</b></u>	<u><b>Finance</b></u>	<u><b>Information Technology for Management</b></u>
Community Partners and Initiatives	\$ -	\$ -	\$ -
Compensation			
Professional salaries	\$ 261,094	\$ 101,303	\$ 56,055
Clerical salaries	41,258	329	-
Employee benefits	49,388	19,059	10,642
Payroll taxes	26,096	8,202	4,626
Total compensation	\$ 377,836	\$ 128,893	\$ 71,323
Professional fees and contract service payments	31,474	24,794	2,129
Supplies	12,133	2,982	872
Telephone	2,001	495	272
Postage and shipping	4,780	612	339
Occupancy	8,970	2,554	1,471
Interest	2,262	646	372
Insurance	6,024	1,757	1,014
Rental and maintenance of equipment	2,262	643	447
Operating lease expense	1,214	346	122
Printing, publications, and films	28,775	220	128
Local travel	5,518	660	509
Conferences and meetings	8,870	2,346	1,409
Membership dues	4,619	821	473
United Way Worldwide dues	17,920	5,068	2,918
IA & IL Association dues	-	-	-
Bank & credit card fees	-	12,812	-
Sponsorship expense	29,900	-	-
Wish list expense	-	-	-
2-1-1 implementation	-	-	-
Total expenses before depreciation	\$ 544,558	\$ 185,649	\$ 83,798
Depreciation	9,777	2,765	32,010
Contributed nonfinancial assets	24,258	-	6,000
Total functional expenses	<u>\$ 578,593</u>	<u>\$ 188,414</u>	<u>\$ 121,808</u>



<b>Marketing and Brand Strategy</b>	<b>Other Administrative</b>	<b>Total Administrative</b>	<b>Total 2023</b>
\$ -	\$ -	\$ -	\$ 3,157,215
\$ 196,773	\$ 94,485	\$ 448,616	\$ 1,264,975
-	1,649	1,978	67,920
19,105	13,640	62,446	204,981
16,410	7,739	36,977	113,464
\$ 232,288	\$ 117,513	\$ 550,017	\$ 1,651,340
9,291	3,263	39,477	118,818
3,171	1,409	8,434	30,192
1,339	651	2,757	9,811
1,283	505	2,739	11,138
5,510	2,208	11,743	36,243
1,387	561	2,966	9,138
3,658	1,568	7,997	24,339
1,389	557	3,036	9,136
746	297	1,511	4,906
95,684	188	96,220	177,743
1,916	1,017	4,102	18,066
5,543	1,602	10,900	35,561
1,777	709	3,780	13,406
11,042	4,344	23,372	72,403
-	-	-	7,949
-	-	12,812	12,812
-	-	-	67,900
-	-	-	34,138
-	-	-	473
\$ 376,024	\$ 136,392	\$ 781,863	\$ 5,502,727
6,868	2,370	44,013	69,790
6,450	2,483	14,933	81,614
\$ 389,342	\$ 141,245	\$ 840,809	\$ 5,654,131

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

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 177,534	\$ 687,455
Adjustments to reconcile change in net assets to net cash provided for operating activities		
Depreciation	73,806	69,790
Provision for uncollectable promises to give	130,009	149,535
Unamortized discount on Long term receivables	385	-
Realized net (gain) loss on investments	(53,981)	(70,620)
Unrealized net (gain) loss on investments	(355,828)	(213,693)
Interest income on investments	(270,940)	-
(Increase) decrease in cash restricted for CAP fiscal agent	257,155	(181,447)
(Increase) decrease in unconditional promises to give	(225,647)	(22,707)
Cash collected from Previous year ERC Credit	122,981	-
(Increase) decrease in other receivables	(111,703)	(154,506)
(Increase) decrease in prepaid expenses	(3,363)	2,473
Increase (decrease) in accounts payable and accrued expenses	149,191	9,787
Increase (decrease) in allocations payable to agencies	(21,922)	(120,399)
Increase (decrease) in designations payable	1,769	16,912
Increase (decrease) in due to CAP fiscal agent	(257,155)	181,447
Net cash provided by operating activities	<u>\$ (387,709)</u>	<u>\$ 354,027</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net sale (purchase) of certificates of deposit	\$ (62,692)	\$ (2,008,863)
Interest income on investments	270,940	-
Net change in endowment	138,108	(20,631)
Purchase of fixed assets	(30,440)	(81,709)
Net cash used by investing activities	<u>\$ 315,916</u>	<u>\$ (2,111,203)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on mortgage	\$ (59,770)	\$ (57,218)
Net cash used by financing activities	<u>\$ (59,770)</u>	<u>\$ (57,218)</u>
Increase (decrease) in cash and cash equivalents	\$ (131,563)	\$ (1,814,394)
Cash and cash equivalents - Beginning of year	<u>1,741,183</u>	<u>3,555,577</u>
Cash and cash equivalents - Ending of year	<u>\$ 1,609,620</u>	<u>\$ 1,741,183</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 7,155</u>	<u>\$ 9,139</u>
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Lease liabilities arising from obtaining right-of-use asset	<u>\$ 14,990</u>	<u>\$ 18,799</u>

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

**UNITED WAY QUAD CITIES**  
**NOTES TO FINANCIAL STATEMENTS**

June 30, 2024 and 2023

**NOTE 1 – NATURE OF THE ORGANIZATION**

United Way Quad Cities' ("United Way QC" or the "Organization") mission is to mobilize people and resources to improve lives in the community.

United Way QC develops, supports and invests in the most impactful strategies and partners to strengthen education, income and health—the building blocks of opportunity. We foster a Quad Cities that is equitable, engaged, united and empowered.

United Way QC believes every Quad Citizen deserves the opportunity to reach their full potential. United Way QC involves partners and supporters from all walks of life in volunteerism, advocacy and investment and uses resources and networks to bring the best people, ideas and projects together to create opportunities for all Quad Citizens. Working together, we believe we can spread opportunity to even more of our neighbors—regardless of race or zip code.

United Way QC is autonomous and is governed by a Board of Directors comprised of local volunteers from a broad cross-selection of our community, and participates in a national trade association, United Way Worldwide.

The following initiatives and supporting services of United Way QC are included in the accompanying financial statements:

Resource Development and Major Gifts – Efficiently and effectively raise the maximum amount of funds from employees, businesses, individuals, grants, labor members, and foundations to improve the quality of life for individuals and families in the Quad Cities area. In addition, United Way QC is building an Endowment to help guarantee quality of life in our community into the future.

Community Investment – United Way QC works hard to ensure Community Impact contributions are invested in several targeted priorities to make the maximum impact possible in the Quad Cities area. Allocable Community Impact grants are distributed through a volunteer review process, whereby local volunteers assess programs and recommend fund allocations to the United Way QC Board of Directors. In the Quad Cities, approximately 120 volunteers are involved in this important, multi-year process. The Board of Directors also invests Community Impact funds in United Way QC operations and United Way QC Initiatives as needed.

Community Impact – Create long-lasting changes that gets to the root causes by focusing on critical issues in our community in education, income and health—the foundation of stability for us all. By channeling our time and resources, we create measurable change where it's needed most. Our Education Council and other key stakeholders help lead the development of initiatives to achieve community impact.

United Way Initiatives and Donor Networks – United Way QC works closely with local change makers to transform the lives of Quad Citizens through our Donor Networks. Staff provide support to volunteers and workplace campaigns centered on one or more of the Donor Networks.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

Women United – Women United is a group of caring women who are dedicated to make the Quad Cities the best place for kids to grow up with a vision that every child enters kindergarten ready to thrive and on the path to read by 3<sup>rd</sup> grade.

African American Leadership Society (AALS) –Seeks to foster the next generation of local Black leaders and give every African American child in every Quad Cities neighborhood an equal opportunity to succeed.

Emerging Leaders – A passionate group of professionals under the age of 40 who join together to solve big community problems, together. Emerging Leaders believe together they can be the drivers of change in our community.

United for Schools – United for Schools activates the community to support our schools in powerful, life-changing ways. We are focused on accelerating student achievement at elementary schools in marginalized neighborhoods and empowering students through partnerships with service providers, businesses, faith-based organizations, and engaged individuals and groups. The United for Schools program addresses opportunity and resource gaps with research-driven, school-aligned programming at partner schools. Through programming, volunteering, and consulting, we connect schools with the specific resources they need in order to create the conditions for all students to thrive, ranging from medical care to educational needs to family and community engagement. United Way QC is here to listen, understand, and work together with schools to provide solutions to ensure all students, regardless of race or zip code, succeed.

Vision to Learn – In-school program helps put kids' futures in focus, by identifying vision issues and providing students with tow new pairs of eye glasses.

Volunteer Income Tax Assistance (VITA) – A free tax preparation service provided to the community. Trained volunteers prepare taxes and ensure clients receive all eligible tax credits including the Earned Income Tax Credit and the Child Tax Credit.

Volunteer Engagement – Volunteer engagement is a strategy to inspire employees in the workplace to further United Way's mission by committing to long-term, ongoing projects that move the needle in education, income, and health. Day of Caring, where thousands of individuals volunteer for hundreds of projects throughout the community, is one of our largest volunteer events. Corporate volunteer opportunities can include: conducting book drives or school supply drives; reading and mentoring; assisting in food delivery and more.

Labor – The mission of the Community Services Liaison is to develop and support an active participation of labor in United Way QC activities such as Resource Development, Community Investment, and Community Impact.

Finance – Responsible for overseeing financial matters within United Way QC. Finance committee volunteers monitor United Way QC's financial activities. Audit Committee volunteers monitor the United Way QC independent CPA annual audit.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

Information Technology for Management and Programs – Responsible for maintaining, maximizing usage, and enhancing the use of technology at United Way QC, among our Partners and with our constituents as volunteers and contributors.

Marketing and Brand Strategy – Responsible for providing year-round information through a variety of mediums and vehicles to the general public and target constituents about United Way QC activities, investments, and achievements.

Administration – Responsible for overseeing all aspects of operations. This includes those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. United Way QC's work is led by a Board of Directors, with support from several committees and numerous volunteers.

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of United Way QC have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

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

*Net Assets without Donor Restriction:* Net assets that are not subject to donor-imposed stipulations.

*Net Assets with Donor Restriction:* Net assets subject to donor-imposed stipulations that may or will be met either by actions of United Way QC and/or the passage of time. Also, net assets subject to donor-imposed stipulations that neither expire by passage of time nor can be met by actions of United Way QC. As of June 30, 2024 and 2023, the Organization had net assets with donor restriction of \$4,338,311 and \$4,753,218.

Restricted Contributions – United Way QC reports gifts of cash and other assets as restricted support if they are received with donor stipulation that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain 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.

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand and amounts available in checking and savings accounts.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – (Continued)

For purposes of reporting cash flows, the Organization includes all cash accounts which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Investments – Investments in equity securities, debt securities, and mutual funds are stated at fair market value as determined by quoted market prices with unrealized gains and losses included in the statement of activities. Certificates of deposit are valued based on original cost plus accrued interest which approximates fair value. Gains and losses on sales of investments are determined by the specific-identification method. Realized and unrealized gains and losses in investments, interest, and dividends are reported as increases and decreases in unrestricted net assets unless the income is restricted by donor or law.

Fair Value Measurements – The Fair Value Measurement topic of the FASB Accounting Standards Codification defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. It also emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and sets out a fair value hierarchy with the highest priority being quoted prices in active markets. Fair value measurements are disclosed by level within that hierarchy.

Property and Equipment – Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the estimated useful lives which range from three to thirty years. Depreciation expense amounted to \$73,806 and \$69,790 in 2024 and 2023, respectively.

The Organization's policy is to capitalize assets in excess of \$1,000.

Support and Expenses – Contributions received and unconditional promises to give are recognized as revenue in the period the contributions or the unconditional promise is received. Unconditional promises to give are stated net of an allowance for estimated uncollectible promises based on historical experience and other factors. Unconditional promises to give expected to be received over more than one year are recorded by the Organization at their net realizable value using a discount rate equivalent to treasury yields of similar maturity.

Contributions of assets other than cash are recorded at their fair values at the date of the gift, except that contributions of works of art, historical treasures, and similar assets held as part of the collections are not recognized or capitalized.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues, support, and expenses are allocated directly to the programs to which they relate.

Contributed Nonfinancial Assets – An appreciable number of volunteers have donated significant amounts of their time. All non-cash donated goods and services that meet the criteria for recognition are reflected at their estimated fair market values at the date of receipt. Contributed nonfinancial assets totaled \$101,766 and \$81,614 for the years ended June 30, 2024 and 2023, respectively.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – (Continued)

Functional Expense Allocation Method – The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries and related expenses are allocated based on estimates of time and effort. All other expenses are based on direct use.

Income Tax Status – United Way Quad Cities, a nonprofit organization, is exempt income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the code.

The Organization evaluates the tax benefits of a tax position using the “more likely than not” threshold. As of June 30, 2024, management is not aware of any uncertain tax positions and related tax benefits which would be material to the Organization’s financial statements.

### NOTE 3 – RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

Leases – The Organization has adopted FASB ASC 842, *Leases*, with a date of initial application of July 1, 2022, using the modified retrospective transition approach, applying the new standard to all of its leases existing at the date of initial application which is the effective date of adoption. Consequently, financial information will not be updated, and the disclosures required under the new standard will not be provided for dates and periods before July 1, 2022. For leases with a lease term greater than one year, the Organization recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligations. The Organization determines whether an arrangement is or contains a lease at contract inception. Operating leases with a duration greater than one year are included in operating lease right-of-use assets (ROU), current portion operating lease liabilities, and operating lease liabilities, net of current portion in the Organization’s balance sheet at June 30, 2024. Operating lease ROU assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, the Organization uses a risk-free rate of a period comparable with that of the lease term. The Organization considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the Organization is reasonably certain to exercise the option, (2) terminate the lease if the Organization is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor.

The Organization has elected, for the underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise. The new standard also provides practical expedients and certain exemptions for the Organization’s ongoing accounting. We have elected the short-term lease recognition exemption for all leases that qualify. This means, for those leases where the initial lease term is one year or less or for which the ROU asset at inception is deemed immaterial, we will not recognize ROU assets or lease liabilities. Those leases are expensed on a straight-line basis over the term of the lease.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in local financial institutions in excess of \$250,000. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Association (NCUA) up to \$250,000. As of June 30, 2024 and 2023, cash and certificates of deposit balances exceed insured amounts by \$1,588,425 and \$1,914,799 respectively. Management believes that the credit risk related to these deposits is minimal.

### NOTE 5 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are recorded in the period the promise is made; net of an initial estimate of potential uncollectible promises to give and/or a present value discount. Any subsequent differences between the estimated and actual uncollectible amounts are reported as gains or losses in the net asset class in which the promise to give was originally reported.

A summary of unconditional promises to give as of June 30, 2024 and 2023 is as follows.

	2024	2023
Campaign		
Receivables due in less than one year	\$ 2,746,791	\$ 2,703,316
Allowance for uncollectable promises to give	(129,955)	(153,498)
Net unconditional campaign promises to give	\$ 2,616,836	\$ 2,549,818
Gross other receivable	\$ 112,777	\$ 85,296
Less: present value discount with an interest rate of 4.0%	(385)	(1,139)
Net other receivable	\$ 112,392	\$ 84,157
Amount due in:		
Less than one year	\$ 102,777	\$ 65,296
One to five years	9,615	18,861
Net other receivable	\$ 112,392	\$ 84,157



## NOTES TO FINANCIAL STATEMENTS

### NOTE 6 – INVESTMENTS – ENDOWMENT

Investments consist of the following at June 30, 2024 and 2023:

		2024			
		Cost Basis	Gross Unrealized Gains	Gross Unrealized (Losses)	Market Value
Pooled separate accounts		\$3,263,930	\$ 473,630	\$ - - -	\$3,737,560
Total		\$3,263,930	\$ 473,630	\$ - - -	\$3,737,560
		2023			
		Cost Basis	Gross Unrealized Gains	Gross Unrealized (Losses)	Market Value
Pooled separate accounts		\$3,207,132	\$ 258,727	\$ - - -	\$3,465,859
Total		\$3,207,132	\$ 258,727	\$ - - -	\$3,465,859

The investments of the Organization are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

### NOTE 7 – INVESTMENTS

The fair values of investments consist of the following as of June 30, 2024 and 2023:

		2024			
		Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments: Pooled separate accounts		\$3,737,560	\$3,615,096	\$ 122,464	\$ - - -

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7 – (Continued)

	2023			
	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments: Pooled separate accounts	\$3,465,859	\$3,375,747	\$ 90,112	\$ - - -

There were no transfers of assets between Levels 1, 2, and 3 of the fair value hierarchy during the years ended June 30, 2024 and 2023.

SFAS ASC 820 “Fair Value Measurements” provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of the three broad levels:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as the measurement date. Level 1 inputs consist of the unadjusted quoted prices in active markets for identical assets and have highest priority.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that area observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for significant assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below:

Investments: Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities would include pooled separate accounts.

If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flow and are classified as Level 2 of the valuation hierarchy. Level 2 securities would include pooled separate accounts.

There have been no changes in valuation techniques used for any assets or liabilities measured at fair value during the years ended June 30, 2024 or 2023.

**NOTES TO FINANCIAL STATEMENTS**

NOTE 7 – (Continued)

The investments of the Organization are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonable possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

The pooled separate accounts are maintained by the Quad Cities Community Foundation and the Moline Foundation.

**NOTE 8 – ENDOWMENT FUNDS**

The Organization’s investment funds consist of several individual funds established for a variety of purposes. The Organization’s portfolio includes donor-restricted funds and unrestricted funds. The Board of Directors of the Organization has interpreted that the Organization is not subject to the State of Iowa Uniform Prudent Management of Institutional Funds Act since the Organization’s bylaws provide for variance power including spending from principal.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The Organization’s endowment funds are invested in various types of investments managed by the Quad Cities Community Foundation. The Organization’s investments are at the moderate level of risk with the diversification of assets within the parameters of the Quad Cities Community Foundation’s investment policy. The Organization’s spending policy of funds is based on a calculation provided by the Quad Cities Community Foundation of 4.5% of the spendable balance of the fund.

The Organization also holds endowment funds invested in various types of investments held by the Moline Foundation.

The composition of net assets relating to endowment funds as of June 30, 2024 and 2023 is as follows:

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted	\$ - - -	\$249,650	\$ 249,650
Board designated	3,487,910	- - -	3,487,910
<b>Total</b>	<b>\$3,487,910</b>	<b>\$249,650</b>	<b>\$3,737,560</b>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8 – (Continued)

	2023		
	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted	\$ - - -	\$327,988	\$ 327,988
Board designated	3,137,871	- - -	3,137,871
<b>Total</b>	<b>\$3,137,871</b>	<b>\$327,988</b>	<b>\$3,465,859</b>

The following schedule summarizes the investment income and its classification for the endowment in the statements of activities at June 30, 2024 and 2023:

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	\$3,137,871	\$ 327,988	\$3,465,859
Investment return:			
Dividend and interest income	\$ 75,027	\$ 6,753	\$ 81,780
Net appreciation (realized and unrealized)	377,338	32,471	409,809
<b>Total investment return</b>	<b>\$ 452,365</b>	<b>\$ 39,224</b>	<b>\$ 491,589</b>
Contributions	\$ 48,650	\$ 1,061	\$ 49,711
Fees	(31,876)	(3,111)	(34,987)
Distributions	(119,100)	(115,512)	(234,612)
<b>Net assets, end of year</b>	<b>\$ 3,487,910</b>	<b>\$ 249,650</b>	<b>\$3,737,560</b>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8 – (Continued)

	2023		
	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	\$2,852,010	\$ 308,905	\$3,160,915
Investment return:			
Dividend and interest income	\$ 63,135	\$ 6,708	\$ 69,843
Net appreciation (realized and unrealized)	256,976	27,337	284,313
Total investment return	\$ 320,111	\$ 34,045	\$ 354,156
Contributions	\$ 96,000	\$ 774	\$ 96,774
Fees	(29,350)	(3,436)	(32,786)
Distributions	(100,900)	(12,300)	(113,200)
Net assets, end of year	\$ 3,137,871	\$ 327,988	\$3,465,859

### NOTE 9 – ALLOCATIONS PAYABLE TO AGENCIES

Applications for funding are reviewed every two years by Community Investment volunteers to align with our strategies in Education, Income, and Health in Scott and Rock Island Counties. The recipient organizations are notified of the investment, which is payable in the following fiscal year.

### NOTE 10 – DESIGNATIONS PAYABLE

A donor may designate their pledge to any 501(c)(3) organization. United Way QC has no discretion over these pledges and therefore they are not included in public support in the statement of activities. Starting with the 2017 campaign (FY18), the Board of Directors approved expanding designations beyond 501(c)(3) organizations to include all organizations recognized by IRS code Section 170.

### NOTE 11 – RETIREMENT PLANS

Effective July 1, 2011, the Organization started a defined contribution pension plan under IRS Code Section 403(b), covering all employees who meet the eligibility requirements. The Organization's contributions are discretionary as determined by the Board of Directors.

Participants are immediately vested in their contributions and fully vested in employer contribution after five years of service. The Organization's contributions for the years ending June 30, 2024 and 2023 were \$125,168 and \$113,698, respectively.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12 – UNRESTRICTED BOARD DESIGNATED NET ASSETS**

A summary of the net assets designated by the Board of Directors for specific purposes at June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Endowment funds:		
Endowment fund	\$3,487,910	\$3,137,871
Emergency grant fund	<u>14,935</u>	<u>18,647</u>
 Total	 <u>\$3,502,845</u>	 <u>\$3,156,518</u>

Endowment Fund – The Board of Directors has designated endowment funds, managed by the Quad Cities Community Foundation and the Moline Foundation, to develop sustaining financial strength of the Organization. A portion of these funds are used to support the annual operating budget.

Emergency Grant Fund – Each year during the Community Investment process, the Board sets aside the portion of allocable funds as available for agencies in need of emergency funding. An application is completed by the agency and the Board decides whether to approve the emergency grant request.

**NOTE 13 – NET ASSETS WITH DONOR RESTRICTION**

A summary of net assets with donor restriction for operations and endowment as of June 30, 2024 and 2023 is as follows:

<u>Operations</u>	<u>2024</u>	<u>2023</u>
Purpose and time restriction:		
Promises to give for future campaign	\$1,387,970	\$1,508,512
 Purpose restriction:		
QC Times wish list contribution	23,412	40,762
Volunteer income tax assistance (VITA)	43,380	40,855
Women United	947,415	1,192,442
Emerging Leaders	137,705	119,143
Innovation Grants	25,578	50,872
Community action plan	- - -	40,206
Education	160,035	169,211
Campaign Associates sponsorships	- - -	14,826
QC Tutor Connections	- - -	27,355
Vision to Learn	84,826	61,350
Early Education	33,448	- - -
African American Leadership Society	82,014	230,719
United Way QC Operations Capacity	586,284	607,109
Volunteer engagement	8,134	7,454

## NOTES TO FINANCIAL STATEMENTS

### NOTE 13 – (Continued)

Operations	2024	2023
United for Schools	361,981	45,868
QC DEI Leadership Series	6,675	6,675
United for Equity	79,240	89,240
Talent Development	35,000	35,000
Read United	33,315	90,482
Non-Profit excellence	52,249	47,149
Total net assets with donor restriction for operations	<u>\$4,088,661</u>	<u>\$4,425,230</u>
Endowment	2024	2023
Purpose restriction:		
Board governance – training	\$ - - -	\$ 100,955
Senior citizens	193,961	175,828
Imagination library	55,689	51,205
Total net assets with donor restriction for endowment	<u>\$249,650</u>	<u>\$327,988</u>

### NOTE 14 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of time or other events specified by donors during the year ended June 30, 2024 and 2023 is as follows:

	2024	2023
Purpose restriction accomplished:		
Wish list	\$ 29,985	\$ 34,138
Volunteer income tax assistance (VITA)	40,855	37,190
United for Schools	45,191	- - -
Read United	47,569	4,372
Education	9,930	13,068
Emerging Leaders	111,742	7,250
Innovation Grants	25,294	- - -
Campaign Associates sponsorships	14,826	220
Women United	407,804	208,584
Imagination library	- - -	22
Vision to Learn	55,524	- - -
2-1-1	- - -	473
African American Leadership Society (AALS)	159,931	18,687

**NOTES TO FINANCIAL STATEMENTS**

NOTE 14 – (Continued)

	<u>2024</u>	<u>2023</u>
Purpose restriction accomplished:		
United for Equity	10,000	- - -
UW Operations Capacity	502,125	165,521
Volunteer engagement	7,454	6,375
QC Tutor Connections	27,355	180
Community Action Plan	40,206	12,700
Nonprofit Excellence	- - -	5,589
Endowment Interest for Investment	- - -	4,600
Strategic Investments	- - -	153,466
 Purpose and time restrictions expired:		
Promises to give for future campaign	1,508,512	1,342,417
Promises to give current campaign	<u>3,039,608</u>	<u>3,002,151</u>
 Net assets released from restrictions	<u><u>\$6,083,911</u></u>	<u><u>\$5,017,003</u></u>

**NOTE 15 – MORTGAGE PAYABLE**

<u>Payable to</u>	<u>2024</u>	<u>2023</u>	<u>Terms</u>
A financial institution	\$ 116,665	\$ 176,435	Monthly payments of \$5,530, including interest at 4.34%, matures April 1, 2026. This debt is secured by a mortgage on the building with a book value of \$749,004, as of June 30, 2024.
 Total	<u>\$ 116,665</u>	<u>\$ 176,435</u>	
Current portion	\$ 62,470	\$ 59,770	
Long-term portion	<u>54,195</u>	<u>116,665</u>	
 Total	<u><u>\$ 116,665</u></u>	<u><u>\$ 176,435</u></u>	

Maturities of debt are as follows:

<u>Year</u>	<u>Amount</u>
2025	62,470
2026	<u>54,195</u>
 Total	<u><u>\$ 116,665</u></u>



**NOTES TO FINANCIAL STATEMENTS**

**NOTE 16 – CONTRIBUTED NONFINANCIAL ASSETS**

Recorded in the financial statements for June 30, 2024 and 2023, are the following in-kind categories:

	<u>2024</u>	<u>2023</u>
Contributed nonfinancial assets	<u>\$101,766</u>	<u>\$81,614</u>
Functional expenses:		
Program services	\$32,718	\$42,423
Fundraising	48,499	24,258
Administrative	<u>20,549</u>	<u>14,933</u>
Total functional expenses	<u>\$101,766</u>	<u>\$81,614</u>

	<u>Revenue Recognized</u>		<u>Utilization in Programs/Activities</u>	<u>Donor Restrictions</u>
	<u>2024</u>	<u>2023</u>		
Fundraising	\$ 39,180	\$ 36,822	Fundraising events or incentives	No associated donor restrictions
Goods				
Services	43,068	8,484	Various Administrative: IT services, janitorial, recycling and staff training	No associated donor restrictions
Media	19,518	36,308	Communications services: Advertising and video production	No associated donor restrictions
TOTAL	<u>\$101,766</u>	<u>\$81,614</u>		

United Way QC values donated goods and services at the fair market value, almost always provided directly from the donor with supporting invoices or receipts. The Organization does not sell donated gifts in kind and only uses services, goods and facilities for its own program or supporting services.

**NOTE 17 – ANNUAL CAMPAIGN**

The 2023 (FY24) and 2022 (FY23) United Way QC Campaigns raised \$6,213,838 and \$5,986,973, respectively. These amounts are reduced by the provision for uncollectible contributions, and designations to arrive at the net annual campaign amounts of \$4,725,642 and \$4,878,124 for 2023 (FY24) and 2022 (FY23), respectively, which are reported on the statements of activities.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 18 – AVAILABLE RESOURCES AND LIQUIDITY

United Way QC monitors monthly the liquidity required to meet its operating needs and commitments to community partners. United Way QC has various sources of liquidity at its disposal, including cash and cash equivalents and investments in certificates of deposit.

For the purpose of analyzing resources available to meet general expenditures over a 12-month period, United Way QC considers all expenditures related to its ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

The following reflects United Way QC's financial assets as of the statement of financial position date; reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year-end:	2024	2023
Cash and cash equivalents	\$ 1,609,620	\$ 1,741,183
Certificates of deposit	4,102,145	4,039,453
Investments	3,737,560	3,465,859
Unconditional promises to give	2,729,228	2,633,975
Other receivables	<u>143,228</u>	<u>154,506</u>
 Total financial assets	 <u>\$12,321,781</u>	 <u>\$12,034,976</u>
 Less amounts not available to be used within one year:		
Net assets with donor restrictions	\$ 4,338,311	\$ 4,753,218
Long-term certificates of deposit	250,000	255,022
Long-term unconditional promises to give	9,615	18,861
Allocations payable	2,889,575	2,911,497
Designation payable	<u>52,500</u>	<u>50,731</u>
Total amounts not available to be used within one year	<u>\$ 7,540,001</u>	<u>\$ 7,989,329</u>
 Financial assets available to meet general expenditures over the next twelve months	 <u>\$ 4,781,780</u>	 <u>\$ 4,045,647</u>

The amounts reported above as of June 30, 2024, and June 30, 2023, include Board designated amounts of \$3,502,845 and \$3,156,518, respectively. These designated funds are earmarked for specific initiatives and should be considered when assessing the organization's overall liquidity and resource availability.

### NOTE 19 – LEASE

#### *Operating leases*

On October 29, 2018, the Organization entered into a non-cancelable operating lease for a copier. The lease expired in April 2023 with monthly payments of \$390 through April 2022, \$410 through October 2022, and \$431 through April 2023. Lease expense for the years ended June 30, 2024 and 2023 was \$0 and \$4,224 respectively.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 19 – (Continued)

The Organization leases a copier under a 5-year non-cancelable operating lease that expires May 2028 with monthly lease payments of \$341. The Organization has classified this lease as an operating lease. The lease does not include termination options for either party to the lease or restrictive financial or other covenants. The risk-free rate used by the Organization is 3.37%. Lease expense for the years ending June 30, 2024 and 2023 was \$3,748 and \$682, respectively.

Total operating lease expense for the years ended June 30, 2024 and 2023 was \$3,748 and \$4,906 respectively.

#### *All leases*

The Organization has no material related-party leases. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

#### *Lease cost:*

Operating lease costs	\$ 3,748
Short-term lease costs	-
Total lease cost	\$ 3,748

#### *Other information:*

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 3,748

The aggregate future lease payments for operating leases as of June 30, 2024 are as follows:

Year Ended June 30	Operating Leases
2025	\$ 4,091
2026	4,091
2027	4,091
2028	3,749
Total undiscounted minimum lease payments	16,022
Less: Present value discount	1,032
Lease Liability	\$ 14,990

#### Categorized as follows:

Short-term	\$ 3,641
Long-term	11,349
Total	\$ 14,990

## **NOTES TO FINANCIAL STATEMENTS**

### **NOTE 20 – QUAD CITIES COMMUNITY FOUNDATION**

The Organization has two funds as of FY24 (was four funds in FY23) at the Quad Cities Community Foundation from outside donors for the benefit of the Organization donated with variance power. These funds are not recorded as assets of the Organization. The balance of the funds was \$193,423 and \$293,968 at June 30, 2024 and 2023, respectively. The Organization has no control over these assets but can request grants based on the earnings and donation agreements for the fund at the Quad Cities Community Foundation.

### **NOTE 21 – CAP FISCAL AGENT**

United Way QC and Family Resources, Inc. (FRI) have entered into a Memorandum of Understanding regarding their respective roles in the implementation of a Coordinated Assessment Program (CAP) in Scott County, Iowa that provides a single-entry site to facilitate services that provides holistic needs assessments, case planning and ongoing coordination for youth and families. United Way QC serves as fiscal agent for dollars pledged to CAP, reimbursing FRI for their expenses related to administering the program and providing services. Funding for CAP has come from the City of Davenport, City of Bettendorf, Scott County and Deere & Company. United Way QC is the subrecipient of a grant from the City of Davenport for funds they received from the American Rescue Plan Act. United Way QC also provides technology and support for tracking outcomes, assists with planning a long-term funding strategy, assists with communication efforts and convenes with the Coordinated Assessment Program Advisory Committee.

### **NOTE 22 – SUBSEQUENT EVENT**

United Way Quad Cities evaluated its June 30, 2024 financial statements for subsequent events through November 4, 2024, the date the financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the financial statements.