

**UNITED WAY QUAD CITIES**

**Bettendorf, Iowa**

**FINANCIAL STATEMENTS  
and  
INDEPENDENT AUDITOR'S REPORT**

**June 30, 2025 and 2024**

# **UNITED WAY QUAD CITIES**

June 30, 2025 and 2024

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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, 2025 and 2024, 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, 2025 and 2024, 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.

### **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 3, 2025

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2025 and 2024

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**ASSETS**

	<b>2025</b>	<b>2024</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,609,441	\$ 1,609,620
Cash restricted for CAP fiscal agent	101,193	405,843
Certificates of deposit	3,709,990	3,852,145
Unconditional promises to give:		
Campaign, net	2,470,537	2,616,836
Other, net	408,849	102,777
Other receivables	5,000	143,228
Prepaid expenses	32,415	29,840
	<hr/>	<hr/>
Total current assets	\$ 8,337,425	\$ 8,760,289
	<hr/>	<hr/>
<b>INVESTMENTS-ENDOWMENT</b>	\$ 4,025,576	\$ 3,737,560
	<hr/>	<hr/>
<b>PROPERTY AND EQUIPMENT</b>		
Office equipment and technology	\$ 298,545	\$ 298,545
Building	1,010,842	1,010,842
	<hr/>	<hr/>
Total property and equipment	\$ 1,309,387	\$ 1,309,387
	<hr/>	<hr/>
Less accumulated depreciation	584,400	506,397
	<hr/>	<hr/>
Net property and equipment	\$ 724,987	\$ 802,990
	<hr/>	<hr/>
<b>OTHER ASSETS</b>		
Certificates of deposit	\$ -	\$ 250,000
Unconditional promises to give:		
Other, net - less current maturities	-	9,615
Right-of-use asset for operating lease, net	11,349	14,990
	<hr/>	<hr/>
Total other assets	\$ 11,349	\$ 274,605
	<hr/>	<hr/>
Total assets	\$ 13,099,337	\$ 13,575,444
	<hr/>	<hr/>

**LIABILITIES AND NET ASSETS**

	<b>2025</b>	<b>2024</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 137,286	\$ 272,457
Allocations payable to agencies	2,037,846	2,889,575
Due to CAP Fiscal Agent	101,193	405,843
Designations payable	122,592	52,500
Mortgage payable - current portion	54,195	62,470
Operating lease liability - current portion	3,766	3,641
Total current liabilities	<u>\$ 2,456,878</u>	<u>\$ 3,686,486</u>
Long-term liabilities:		
Mortgage payable - less current portion	\$ -	\$ 54,195
Operating lease liability - less current portion	7,583	11,349
Total long-term liabilities	<u>\$ 7,583</u>	<u>\$ 65,544</u>
Total liabilities	<u>\$ 2,464,461</u>	<u>\$ 3,752,030</u>
<b>NET ASSETS</b>		
Without donor restriction		
Board designated	\$ 3,969,389	\$ 3,502,845
Unrestricted for equity in building and equipment	670,792	686,325
Undesignated	1,640,472	1,295,933
Total net assets without donor restriction	<u>\$ 6,280,653</u>	<u>\$ 5,485,103</u>
With donor restriction		
Operations	\$ 4,083,101	\$ 4,088,661
Endowment	271,122	249,650
Total net assets with donor restriction	<u>\$ 4,354,223</u>	<u>\$ 4,338,311</u>
Total net assets	<u>\$ 10,634,876</u>	<u>\$ 9,823,414</u>
Total liabilities and net assets	<u><u>\$ 13,099,337</u></u>	<u><u>\$ 13,575,444</u></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, 2025

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
<b>PUBLIC SUPPORT AND REVENUE</b>			
Public support:			
Annual campaign	\$ -	\$ 4,317,385	\$ 4,317,385
Endowment contributions	15,138	-	15,138
Gain on prior year's campaign	-	14,294	14,294
Sponsorship revenue	60,361	-	60,361
Designation fees	(2,391)	-	(2,391)
Contributions of nonfinancial assets	109,391	-	109,391
Total public support	<u>\$ 182,499</u>	<u>\$ 4,331,679</u>	<u>\$ 4,514,178</u>
Revenue:			
Interest and dividends, net	\$ 300,133	\$ 2,185	\$ 302,318
Net unrealized gain on investments	308,196	5,086	313,282
Net realized gain on investments	52,680	1,971	54,651
Wish list	-	34,375	34,375
United for Schools	-	848,753	848,753
Volunteer income tax assistance	-	18,000	18,000
Education	-	12,710	12,710
Student Voices	-	13,500	13,500
Women United	-	84,137	84,137
Emerging Leaders	-	42,471	42,471
Volunteer Engagement	-	15,963	15,963
Kids United for Literacy	-	39,810	39,810
UW Operations Capacity	-	21,338	21,338
Vision To Learn	-	87,300	87,300
Read United	-	-	-
Early Education	-	-	-
Employee Retention Credit	-	-	-
Miscellaneous	-	107,928	107,928
Net assets released from restrictions- satisfaction of program restrictions	5,651,294	(5,651,294)	-
Total revenue	<u>\$ 6,312,303</u>	<u>\$ (4,315,767)</u>	<u>\$ 1,996,536</u>
Total public support and revenue	<u>\$ 6,494,802</u>	<u>\$ 15,912</u>	<u>\$ 6,510,714</u>
<b>EXPENSES</b>			
Program services	\$ 4,202,810	\$ -	\$ 4,202,810
Fundraising	633,775	-	633,775
Administration	862,667	-	862,667
Total expenses	<u>\$ 5,699,252</u>	<u>\$ -</u>	<u>\$ 5,699,252</u>
Increase in net assets	<u>\$ 795,550</u>	<u>\$ 15,912</u>	<u>\$ 811,462</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)
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 CHANGES IN NET ASSETS**  
For the Years Ended June 30, 2025 and 2024

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	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
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	\$ 5,485,103	\$ 4,338,311	\$ 9,823,414
Change in net assets	<u>795,550</u>	<u>15,912</u>	<u>811,462</u>
Net assets - June 30, 2025	<u><u>\$ 6,280,653</u></u>	<u><u>\$ 4,354,223</u></u>	<u><u>\$ 10,634,876</u></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, 2025

	Program		
	Community Investment	Community Impact	United Way Initiatives
<b>EXPENSES</b>			
Community Partners and Initiatives	\$ 2,007,819	\$ 39,543	\$ 696,920
Compensation			
Professional salaries	\$ 79,781	\$ 217,901	\$ 394,359
Clerical salaries	-	-	-
Employee benefits	10,374	31,574	68,839
Payroll taxes	6,615	18,390	33,367
Total compensation	\$ 96,770	\$ 267,865	\$ 496,565
Professional fees and contract service payments	8,073	22,379	12,495
Supplies	1,687	4,624	3,777
Telephone	646	1,774	3,447
Postage and shipping	353	901	491
Occupancy	3,076	7,988	5,397
Interest	244	636	381
Insurance	1,564	4,232	1,787
Rental and maintenance of equipment	537	1,405	946
Operating lease expense	253	661	424
Printing, publications, and films	571	17,111	22,131
Local travel	1,099	1,754	3,927
Conferences and meetings	2,367	3,123	1,285
Membership dues	132	373	112
United Way Worldwide dues	4,217	10,871	7,491
IA & IL Association dues	-	8,771	-
Bank & credit card fees	-	-	-
Sponsorship expense	581	-	274
Wish list expense	23,984	-	-
Total expenses before depreciation	\$ 2,153,973	\$ 394,011	\$ 1,257,850
Depreciation	2,740	7,307	8,351
Contributed nonfinancial assets	-	73,081	-
Total functional expenses	\$ 2,156,713	\$ 474,399	\$ 1,266,201

<b>Services</b>			
<b>Volunteer Engagement</b>	<b>Labor</b>	<b>Information Technology for Programs</b>	<b>Total Program Services</b>
\$ 16,899	\$ -	\$ -	\$ 2,761,181
\$ 101,534	\$ 41,829	\$ 30,759	\$ 866,163
-	-	-	-
15,710	10,252	7,170	143,919
8,835	3,405	2,526	73,138
\$ 126,079	\$ 55,486	\$ 40,455	\$ 1,083,220
11,565	3,190	5,633	63,335
1,875	902	791	13,656
946	167	302	7,282
392	178	120	2,435
3,457	1,622	1,085	22,625
282	129	84	1,756
2,094	888	510	11,075
620	288	189	3,985
290	134	88	1,850
3,407	301	234	43,755
934	343	178	8,235
878	116	127	7,896
205	81	41	944
4,607	2,189	1,495	30,870
-	-	-	8,771
-	-	-	-
-	8,923	-	9,778
-	-	-	23,984
\$ 174,530	\$ 74,937	\$ 51,332	\$ 4,106,633
3,132	1,566	-	23,096
-	-	-	73,081
<u>\$ 177,662</u>	<u>\$ 76,503</u>	<u>\$ 51,332</u>	<u>\$ 4,202,810</u>

(Continued)

**UNITED WAY QUAD CITIES**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2025

	<b>Fundraising</b>	<b>Administrative</b>	
	<b>Resource Development/ Major Gifts</b>	<b>Finance</b>	<b>Information Technology for Management</b>
<b>EXPENSES</b>			
Community Partners and Initiatives	\$ -	\$ -	\$ -
Compensation			
Professional salaries	\$ 341,881	\$ 107,703	\$ 50,185
Clerical salaries			
Employee benefits	66,793	19,815	11,698
Payroll taxes	27,744	8,586	4,122
Total compensation	\$ 436,418	\$ 136,104	\$ 66,005
Professional fees and contract service payments	53,890	30,613	9,191
Supplies	10,867	2,376	1,291
Telephone	3,099	386	492
Postage and shipping	3,396	382	197
Occupancy	12,477	3,277	1,770
Interest	967	252	138
Insurance	5,956	1,479	832
Rental and maintenance of equipment	2,185	568	309
Operating lease expense	1,018	266	144
Printing, publications, and films	14,949	888	380
Local travel	5,131	568	290
Conferences and meetings	1,991	367	208
Membership dues	742	114	67
United Way Worldwide dues	17,110	4,534	2,438
IA & IL Association dues	-	-	-
Bank & credit card fees	-	14,790	-
Sponsorship expense	50,583	-	-
Wish list expense	-	-	-
Total expenses before depreciation	\$ 620,779	\$ 196,964	\$ 83,752
Depreciation	12,996	3,314	27,620
Contributed nonfinancial assets	-	-	6,672
Total functional expenses	<u>\$ 633,775</u>	<u>\$ 200,278</u>	<u>\$ 118,044</u>

<b>Marketing and Brand Strategy</b>	<b>Other Administrative</b>	<b>Total Administrative</b>	<b>Total 2025</b>
\$ -	\$ -	\$ -	\$ 2,761,181
\$ 194,394	\$ 99,254	\$ 451,536	\$ 1,659,580
27,774	13,286	72,573	283,285
15,461	7,940	36,109	136,991
\$ 237,629	\$ 120,480	\$ 560,218	\$ 2,079,856
26,639	7,576	74,019	191,244
4,070	1,744	9,481	34,004
1,562	635	3,075	13,456
786	304	1,669	7,500
7,152	2,761	14,960	50,062
558	216	1,164	3,887
3,507	1,384	7,202	24,233
1,253	485	2,615	8,785
585	227	1,222	4,090
63,408	559	65,235	123,939
1,935	729	3,522	16,888
2,604	965	4,144	14,031
294	118	593	2,279
9,793	3,771	20,536	68,516
-	-	-	8,771
-	-	14,790	14,790
-	-	-	60,361
-	-	-	23,984
\$ 361,775	\$ 141,954	\$ 784,445	\$ 5,511,857
8,238	2,740	41,912	78,004
27,938	1,700	36,310	109,391
\$ 397,951	\$ 146,394	\$ 862,667	\$ 5,699,252

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

	Program		
	Community Investment	Community Impact	United Way Initiatives
<b>EXPENSES</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	-	-
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	\$ 2,953,749	\$ 496,303	\$ 1,027,907

**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

(Continued)

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

	<b>Fundraising</b>	<b>Administrative</b>	
	<b>Resource Development/ Major Gifts</b>	<b>Finance</b>	<b>Information Technology for Management</b>
<b>EXPENSES</b>			
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	-	-	-
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>



Statement 4  
(Continued)

<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
<u>\$ 404,336</u>	<u>\$ 155,853</u>	<u>\$ 871,661</u>	<u>\$ 6,424,779</u>

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, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 811,462	\$ 177,534
Adjustments to reconcile change in net assets to net cash provided for operating activities		
Depreciation	78,004	73,806
Provision for uncollectable promises to give	129,980	130,009
Unamortized discount on Long term receivables	-	385
Realized net (gain) loss on investments	(54,651)	(53,981)
Unrealized net (gain) loss on investments	(313,282)	(355,828)
Interest income on investments	(302,318)	(270,940)
(Increase) decrease in cash restricted for CAP fiscal agent	304,650	257,155
(Increase) decrease in unconditional promises to give	(280,139)	(225,647)
Cash collected from Previous year ERC Credit	138,228	122,981
(Increase) decrease in other receivables	-	(111,703)
(Increase) decrease in prepaid expenses	(2,575)	(3,363)
Increase (decrease) in accounts payable and accrued expenses	(135,171)	149,191
Increase (decrease) in allocations payable to agencies	(851,729)	(21,922)
Increase (decrease) in designations payable	70,092	1,769
Increase (decrease) in due to CAP fiscal agent	(304,650)	(257,155)
Net cash used by operating activities	<u>\$ (712,099)</u>	<u>\$ (387,709)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net sale (purchase) of certificates of deposit	\$ 392,155	\$ (62,692)
Interest income on investments	302,318	270,940
Net change in endowment	79,917	138,108
Purchase of fixed assets	<u>-</u>	<u>(30,440)</u>
Net cash provided by investing activities	<u>\$ 774,390</u>	<u>\$ 315,916</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on mortgage	<u>\$ (62,470)</u>	<u>\$ (59,770)</u>
Net cash used by financing activities	<u>\$ (62,470)</u>	<u>\$ (59,770)</u>
Increase (decrease) in cash and cash equivalents	\$ (179)	\$ (131,563)
Cash and cash equivalents - Beginning of year	<u>1,609,620</u>	<u>1,741,183</u>
Cash and cash equivalents - Ending of year	<u><u>\$ 1,609,441</u></u>	<u><u>\$ 1,609,620</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 3,887</u>	<u>\$ 6,585</u>
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Lease liabilities arising from obtaining right-of-use asset	<u>\$ -</u>	<u>\$ -</u>

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

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

June 30, 2025 and 2024

**NOTE 1 – NATURE OF THE ORGANIZATION**

United Way Quad Cities' ("United Way QC" or the "Organization") mission is to unite the community to create access and opportunity for all to thrive.

United Way QC develops, supports and invests in the most impactful strategy and partners to strengthen education, income and health in our community. Using this as building blocks, we foster a Quad Cities that is equitable, engaged, and empowered.

United Way QC believes every Quad Citian deserves the opportunity to reach their full potential. United Way QC involves partners and supporters in volunteerism, advocacy, and investment. We use resources and networks to bring the best people, ideas and projects together, spreading opportunity to 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 100 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 get 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 Citians 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 dedicated women who are committed to making the Quad Cities the best place for kids to grow up. This group's vision is that every child enters kindergarten ready to learn and on the path to meeting reading standards by 3<sup>rd</sup> grade.

African American Leadership Society (AALS) – 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 – Emerging Leaders encompasses a passionate group of professionals under the age of 40 who aspire to solve big community problems. This group believes that together they can be the drivers of change in our community.

United for Schools – United for Schools brings United Way to the center of Title 1 schools. The United for Schools initiative addresses opportunity and resource gaps with research-driven, school-aligned programming at partner schools. We focus on accelerating student achievement and empower students and their families through partnerships with service providers, businesses, and engaged individuals and groups. In addition, through programming, volunteering, and consulting, we connect schools with the specific resources they need to create the conditions for all families to learn, earn, and live. These services range 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 inside and outside the classroom to ensure all students succeed.

Vision to Learn – An in-school program helps put kids' futures in focus, by identifying vision issues and providing students with two new pairs of eyeglasses.

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, 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 Public Relations, Brand Strategy, Web Design, External Content Creation, and event communications/marketing material. This team communicates 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, 2025 and 2024, the Organization had net assets with donor restriction of \$4,354,223 and \$4,338,311.

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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – (Continued)

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

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 \$78,004 and \$73,806 in 2025 and 2024, respectively.

The Organization's policy is to capitalize assets in excess of \$1,500.

Revenue Recognition – United Way QC recognizes revenue in accordance with FASB Accounting Standards Codification (ASC) Topic 958, Not-for-Profit Entities – Revenue Recognition, and, when applicable, ASC Topic 606, Revenue from Contracts with Customers.

Campaign Contributions and Promises to Give – Contributions, including campaign pledges, are recognized as revenue when the donor makes an unconditional promise to give. Promises to give that are expected to be collected within one year are recorded at net realizable value. Promises to give expected to be collected in future years are recorded at the present value of estimated future cash flows, discounted at rates commensurate with the risks involved.

An allowance for uncollectible pledges is established based on historical collection experience, current economic conditions, and specific donor analysis. Conditional promises to give are not recognized until the conditions are substantially met.

Designations Payable – Donors may designate all or part of their campaign contributions to other qualified charitable organizations. These amounts are treated as agency transactions under ASC 958-605 because the Organization does not exercise variance power or control over the funds. Accordingly, such designated amounts are excluded from contribution revenue and are reported as a liability, Designations payable, until distributed.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – (Continued)

Grants and Exchange Transactions – Grants and contracts that represent exchange transactions—in which the resource provider receives commensurate value in return—are recognized as revenue when the related performance obligations are satisfied, generally as qualifying expenditures are incurred.

Donor-Restricted Contributions – Contributions received with donor stipulations that limit their use are reported as net assets with donor restrictions. When a restriction expires, either by the passage of time or fulfillment of the purpose restriction, the related amounts are reclassified to net assets without donor restriction and reported as net assets released from restrictions in the statements of activities.

Contributed Nonfinancial Assets and Services – The Organization recognizes contributed goods and services that create or enhance nonfinancial assets or that require specialized skills and would otherwise need to be purchased, at their estimated fair value on the date of donation. The policy for valuing and utilizing such contributions is described further in Note 16.

Event and Sponsorship Revenue– Event fees, sponsorships, and other exchange revenues are recognized when the related event occurs or when the sponsorship obligations are fulfilled. A liability is recorded for amounts received in advance of satisfying these performance obligations.

Expenses – 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.

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 from 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, 2025, management is not aware of any uncertain tax positions and related tax benefits which would be material to the Organization’s financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

### **NOTE 3 – 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. 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, 2025 and 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.

### **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, 2025 and 2024, cash and certificates of deposit balances exceed insured amounts by \$73,757 and \$1,588,425 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.



## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 – (Continued)

A summary of unconditional promises to give as of June 30, 2025 and 2024 is as follows.

	2025	2024
Campaign		
Receivables due in less than one year	\$ 2,600,517	\$ 2,746,791
Allowance for uncollectable promises to give	<u>(129,980)</u>	<u>(129,955)</u>
Net unconditional campaign promises to give	<u>\$ 2,470,537</u>	<u>\$ 2,616,836</u>
Gross other receivable	\$ 408,849	\$ 112,777
Less: present value discount with an interest rate of 4.0%	<u>- - -</u>	<u>(385)</u>
Net other receivable	<u>\$ 408,849</u>	<u>\$ 112,392</u>
Amount due in:		
Less than one year	\$ 408,849	\$ 102,777
One to five years	<u>- - -</u>	<u>9,615</u>
Net other receivable	<u>\$ 408,849</u>	<u>\$ 112,392</u>

### NOTE 6 – INVESTMENTS – ENDOWMENT

Investments consist of the following at June 30, 2025 and 2024:

	2025			
	Cost Basis	Gross Unrealized Gains	Gross Unrealized (Losses)	Market Value
Pooled separate accounts	<u>\$3,280,436</u>	<u>\$ 745,140</u>	<u>\$ - - -</u>	<u>\$4,025,576</u>
Total	<u>\$3,280,436</u>	<u>\$ 745,140</u>	<u>\$ - - -</u>	<u>\$4,025,576</u>

  

	2024			
	Cost Basis	Gross Unrealized Gains	Gross Unrealized (Losses)	Market Value
Pooled separate accounts	<u>\$3,263,930</u>	<u>\$ 473,630</u>	<u>\$ - - -</u>	<u>\$3,737,560</u>
Total	<u>\$3,263,930</u>	<u>\$ 473,630</u>	<u>\$ - - -</u>	<u>\$3,737,560</u>

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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7 – INVESTMENTS

The fair values of investments consist of the following as of June 30, 2025 and 2024:

		2025		
		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		<u>\$4,025,576</u>	<u>\$3,901,186</u>	<u>\$ 124,390</u>
				<u>\$ - - -</u>
		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		<u>\$3,737,560</u>	<u>\$3,615,096</u>	<u>\$ 122,464</u>
				<u>\$ - - -</u>

There were no transfers of assets between Levels 1, 2, and 3 of the fair value hierarchy during the years ended June 30, 2025 and 2024.

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 are 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.

## **NOTES TO FINANCIAL STATEMENTS**

### **NOTE 7 – (Continued)**

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, 2025 or 2024.

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 reasonably 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 Regional Community 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 Regional Community Foundation.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8 – (Continued)

The composition of net assets relating to endowment funds as of June 30, 2025 and 2024 is as follows:

	2025		
	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted Board designated	\$ - - - 3,754,454	\$271,122 - - -	\$ 271,122 3,754,454
Total	<u>\$3,754,454</u>	<u>\$271,122</u>	<u>\$4,025,576</u>

  

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

The following schedule summarizes the investment income and its classification for the endowment in the statements of activities at June 30, 2025 and 2024:

	2025		
	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	<u>\$3,487,910</u>	<u>\$ 249,650</u>	<u>\$3,737,560</u>
Investment return:			
Dividend and interest income	\$ 81,776	\$ 5,854	\$ 87,630
Net appreciation (realized and unrealized)	<u>343,271</u>	<u>24,661</u>	<u>367,932</u>
Total investment return	<u>\$ 425,047</u>	<u>\$ 30,515</u>	<u>\$ 455,562</u>
Contributions	\$ 13,785	\$ 1,353	\$ 15,138
Fees	(35,838)	(2,896)	(38,734)
Distributions	<u>(136,450)</u>	<u>(7,500)</u>	<u>(143,950)</u>
Net assets, end of year	<u>\$ 3,754,454</u>	<u>\$ 271,122</u>	<u>\$4,025,576</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8 – (Continued)

	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
Total investment return	\$ 452,365	\$ 39,224	\$ 491,589
Contributions	\$ 48,650	\$ 1,061	\$ 49,711
Fees	(31,876)	(3,111)	(34,987)
Distributions	(119,100)	(115,512)	(234,612)
Net assets, end of year	\$ 3,487,910	\$ 249,650	\$3,737,560

### NOTE 9 – ALLOCATIONS PAYABLE TO AGENCIES

As part of its community investment process, United Way QC allocates funds to partner agencies that support strategic priorities in education, income, and health throughout Scott and Rock Island Counties. Funding applications are reviewed biennially by volunteer Strategic Investment panels, and recommendations are approved by the Organization's Board of Directors.

Upon board approval, the allocations become unconditional promises to give and are therefore recognized as liabilities in the accompanying statements of financial position in accordance with FASB ASC 958-720, Not-for-Profit Entities—Other Expenses. Allocations are generally payable to agencies during the subsequent fiscal year.

At June 30, 2025 and 2024, allocations payable to agencies totaled \$2,037,846 and \$2,889,575, respectively.

### NOTE 10 – DESIGNATIONS PAYABLE

A donor may designate a portion of their campaign pledges to qualified charitable organizations of their choice. In these instances, United Way QC acts solely as an agent, transmitting such designated contributions to the specified beneficiary organizations. Because the Organization has no variance power or discretion over these designated amounts, they are not included in public support or revenue in the accompanying statements of activities, in accordance with FASB ASC 958-605, Not-for-Profit Entities – Revenue Recognition.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10 – (Continued)

Amounts collected but not yet remitted to designated agencies are reported as "Designations payable" in the statements of financial position. At June 30, 2025 and 2024, these balances were \$122,592 and \$52,500, respectively.

Beginning with the 2017 campaign (FY18), the Organization's Board of Directors expanded the allowable designations beyond Internal Revenue Code Section 501(c)(3) organizations to include all organizations recognized as charitable recipients under IRC Section 170".

### NOTE 11 – RETIREMENT PLANS

Effective July 1, 2011, the Organization established a defined contribution pension plan under IRS Code Section 403(b), covering all employees who meet the eligibility requirements of working 1,000 hours during the plan year. 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, 2025 and 2024 were \$133,623 and \$125,168, respectively, and there are no outstanding employer contributions payable under the plan.

### 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, 2025 and 2024 is as follows:

	2025	2024
Endowment funds:		
Endowment fund	\$3,754,454	\$3,487,910
Accelerator fund	100,000	- - -
Emergency grant fund	114,935	14,935
Total	<u>\$3,969,389</u>	<u>\$3,502,845</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.

Accelerator Fund – Created in FY25, the Board set aside a portion of allocable funds to be used to fund the Accelerator Fund that supports bold, collaborative solutions that push risk or innovation. Agencies will complete an application process as determined by United Way QC, with final approval going to the Board.

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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 13 – NET ASSETS WITH DONOR RESTRICTION

A summary of net assets with donor restriction for operations and endowment as of June 30, 2025 and 2024 is as follows:

Operations	2025	2024
Purpose and time restriction:		
Promises to give for future campaign	\$1,281,428	\$1,387,970
Purpose restriction:		
QC Times wish list contribution	33,803	23,412
Volunteer income tax assistance (VITA)	46,282	43,380
Women United	577,788	947,415
Emerging Leaders	90,089	137,705
Innovation Grants	25,578	25,578
Education	146,599	160,035
Vision to Learn	77,098	84,826
Early Education	33,448	33,448
African American Leadership Society	48,502	82,014
United Way QC Operations Capacity	575,030	586,284
Volunteer engagement	7,319	8,134
United for Schools	928,521	361,981
QC DEI Leadership Series	- - -	6,675
United for Equity	77,240	79,240
Student Voices	9,962	- - -
Kids United for Literacy	18,147	- - -
Talent Development	85,000	35,000
Read United	21,267	33,315
Non-Profit excellence	- - -	52,249
Total net assets with donor restriction for operations	<u>\$4,083,101</u>	<u>\$4,088,661</u>
Endowment	2025	2024
Purpose restriction:		
Senior citizens	\$ 209,290	\$ 193,961
Imagination library/Education	<u>61,832</u>	<u>55,689</u>
Total net assets with donor restriction for endowment	<u><u>\$271,122</u></u>	<u><u>\$249,650</u></u>

## NOTES TO FINANCIAL STATEMENTS

### 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, 2025 and 2024 is as follows:

	2025	2024
Purpose restriction accomplished:		
QC Times wish list contribution	\$ 23,412	\$ 29,985
Volunteer income tax assistance (VITA)	40,097	40,855
Women United	453,765	407,804
Emerging Leaders	90,087	111,742
Innovation Grants	- - -	25,294
Education	25,391	9,930
Vision to Learn	84,826	55,524
African American Leadership Society	32,660	159,931
United Way QC Operations Capacity	428,545	502,125
Volunteer engagement	8,134	7,454
United for Schools	282,213	45,191
QC DEI Leadership Series	6,675	- - -
United for Equity	2,000	10,000
Read United	4,158	47,569
Nonprofit Excellence	52,249	- - -
Campaign Associates sponsorships	- - -	14,826
QC Tutor Connections	- - -	27,355
Community Action Plan	- - -	40,206
Purpose and time restrictions expired:		
Promises to give for future campaign	1,387,970	1,508,512
Promises to give current campaign	2,729,112	3,039,608
Net assets released from restrictions	\$5,651,294	6,083,911

### NOTE 15 – MORTGAGE PAYABLE

Payable to	2025	2024	Terms
A financial institution	\$ 54,195	\$ 116,665	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 \$683,330, as of June 30, 2025.
Total	\$ 54,195	\$ 116,665	
Current portion	\$ 54,195	\$ 62,470	
Long-term portion	- - -	54,195	
Total	\$ 54,195	\$ 116,665	



## NOTES TO FINANCIAL STATEMENTS

### NOTE 15 – (Continued)

Maturities of debt are as follows:

<u>Year</u>	<u>Amount</u>
2026	<u>54,195</u>
Total	<u><u>\$ 54,195</u></u>

### NOTE 16 – CONTRIBUTED NONFINANCIAL ASSETS

Recorded in the financial statements for June 30, 2025 and 2024, are the following in-kind categories:

	<u>2025</u>	<u>2024</u>
Contributed nonfinancial assets	<u>\$109,391</u>	<u>\$101,766</u>
Functional expenses:		
Program services	\$73,081	\$32,718
Fundraising	---	48,499
Administrative	<u>36,310</u>	<u>20,549</u>
Total functional expenses	<u>\$109,391</u>	<u>\$101,766</u>

	<u>Revenue Recognized</u>		<u>Utilization in</u>	<u>Donor</u>
	<u>2025</u>	<u>2024</u>	<u>Programs/Activities</u>	<u>Restrictions</u>
Goods	\$ 15,486	\$ 39,180	Fundraising events or incentives	No associated donor restrictions
Services	62,736	43,068	Various Administrative: IT services, janitorial, recycling and staff training	No associated donor restrictions
Media	31,169	19,518	Communications services: Advertising and video production	No associated donor restrictions
TOTAL	<u>\$109,391</u>	<u>\$101,766</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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 17 – ANNUAL CAMPAIGN

The 2024 (FY25) and 2023 (FY24) United Way QC Campaigns raised \$6,232,093 and \$6,213,838, respectively. These amounts are reduced by the provision for uncollectible contributions, and designations to arrive at the net annual campaign amounts of \$4,317,385 and \$4,725,642 for 2024 (FY25) and 2023 (FY24), respectively, which are reported on the statements of activities.

### 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:	2025	2024
Cash and cash equivalents	\$ 1,609,441	\$ 1,609,620
Certificates of deposit	3,709,990	4,102,145
Investments	4,025,576	3,737,560
Unconditional promises to give	2,879,386	2,729,228
Other receivables	5,000	143,228
	<u>\$12,229,393</u>	<u>\$12,321,781</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	\$ 4,354,223	\$ 4,338,311
Long-term certificates of deposit	-	250,000
Long-term unconditional promises to give	-	9,615
Allocations payable	2,037,846	2,889,575
Designation payable	122,592	52,500
Total amounts not available to be used within one year	<u>\$ 6,514,661</u>	<u>\$ 7,540,001</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 5,714,732</u>	<u>\$ 4,781,780</u>

The amounts reported above as of June 30, 2025, and June 30, 2024, include Board designated amounts of \$3,969,389 and \$3,502,845, respectively. These designated funds are earmarked for specific initiatives and should be considered when assessing the organization's overall liquidity and resource availability.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 19 – LEASE

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%.

Total operating lease expense for the years ended June 30, 2025 and 2024, was \$4,090 and \$3,748, 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:*

	2025	2024
Operating lease costs	\$ 4,090	\$ 3,748
Short-term lease costs	-	-
Total lease cost	\$ 4,090	\$ 3,748

#### *Other information:*

Cash paid for amounts included in the measurement of lease liabilities

	2025	2024
Operating cash flows from operating leases	\$ 4,090	\$ 3,748

The aggregate future lease payments for operating leases as of June 30, 2025 are as follows:

Year Ended June 30	Operating Leases
2026	\$ 4,091
2027	4,091
2028	3,749
Total undiscounted minimum lease payments	11,931
Less: Present value discount	582
Lease Liability	\$ 11,349

#### *Categorized as follows:*

Short-term	\$ 3,766
Long-term	7,583
Total	\$ 11,349

## **NOTES TO FINANCIAL STATEMENTS**

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

The Organization is the designated beneficiary of two funds held at the Quad Cities Community Foundation (QCCF), which were established by outside donors for the benefit of United Way Quad Cities. Under the terms of the fund agreements, the QCCF retains variance power, as defined by the Financial Accounting Standards Board, which gives the Foundation the unilateral authority to redirect the use of the assets to other charitable purposes if the purposes of the Organization become unnecessary, incapable of fulfillment, or inconsistent with the needs of the community.

Because the Foundation retains variance power and the Organization does not control the use or investment of the assets, the funds are not recorded as assets in the accompanying financial statements. The Organization may, however, request distributions from the funds in accordance with QCCF's spending policies and the terms of the donor agreements.

The balances of the funds held for the benefit of the Organization were \$207,414 and \$193,423 as of June 30, 2025 and 2024, respectively.

### **NOTE 21 – CAP FISCAL AGENT**

United Way QC serves as the fiscal agent for the Coordinated Assessment Program ("CAP") in Scott County, Iowa, under a Memorandum of Understanding with Family Resources, Inc. (FRI). CAP provides holistic needs assessments, case planning, and coordination services for youth and families. As fiscal agent, United Way QC receives and holds funds from the City of Davenport, City of Bettendorf, Scott County, Deere & Company, and other sources, and reimburses FRI for eligible expenses. The Organization does not have variance power or administrative discretion over these funds. Accordingly, these amounts are not included in public support, revenue, or expenses in the accompanying statements of activities but are recorded as "Cash restricted for CAP Fiscal agent" and a corresponding liability, "Due to CAP Fiscal Agent," on the statements of financial position. At June 30, 2025 and 2024, the balances held on behalf of CAP were \$101,193 and \$405,843, respectively.

### **NOTE 22 – SUBSEQUENT EVENT**

United Way Quad Cities evaluated its June 30, 2025 financial statements for subsequent events through November 3, 2025, 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.