

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC.
AND AFFILIATES**

**COMBINED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR
THE YEAR ENDED DECEMBER 31, 2023)**



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**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
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(WITH SUMMARIZED FINANCIAL INFORMATION FOR
THE YEAR ENDED DECEMBER 31, 2023)**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Way of Dane County, Inc.
United Way of Dane County, Inc. Foundation and Affiliates
Madison, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of United Way of Dane County, Inc., United Way of Dane County, Inc. Foundation and Affiliates (the Corporation), which comprise the combined statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements (collectively, the financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matters

The 2023 combined financial statements of the Corporation were audited by other auditors whose report dated June 17, 2024, expressed an unmodified opinion on those statements. The summarized comparative information presented herein for the year ended December 31, 2023, is consistent with the audited financial statements from the prior year.

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 the Corporation's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government 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 GAAS and *Government 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 the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statement of financial position; combining statement of activities; fall 2023 (2023-2024) campaign, other revenue, program services, and supporting expenses (unaudited); and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked “unaudited,” has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. The information marked “unaudited” has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it. In our opinion, except for the portion marked “unaudited,” the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2025, on our consideration of the Corporation’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Madison, Wisconsin
June 17, 2025

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)**

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 1,536,973	\$ 2,670,053
Certificates of Deposit and Money Markets	9,508,701	10,992,491
Investments	29,917,087	22,565,815
Contributions Receivable:		
Current Year Campaign (Net of Allowance for Uncollectible Pledges of \$482,499 for 2024)	5,440,662	5,963,743
Prior Year Campaigns (Net of Allowance for Uncollectible Pledges of \$609,779 for 2024)	856,512	1,170,530
Future Years	219,678	289,707
Other Receivables	3,727,239	4,479,450
Prepaid Expenses and Other Assets	456,772	390,673
Certificates of Deposit and Money Markets, Whose Use is Limited	751,221	747,798
Investments, Whose Use is Limited	76,146	115,033
Loans Receivable	809,722	637,775
Beneficial Interest in Assets Held by Others	991,626	946,708
Operating Right-of-Use Assets	30,603	35,280
Land, Building and Equipment, Net of Accumulated Depreciation	<u>2,142,495</u>	<u>2,283,744</u>
 Total Assets	 <u><u>\$ 56,465,437</u></u>	 <u><u>\$ 53,288,800</u></u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 392,803	\$ 888,654
Distributions Payable:		
Donor Designations from Current Year Campaign	3,174,048	3,461,894
Donor Designations and Allocations from Prior Year Campaign	710,941	1,227,433
Operating Lease Liabilities	30,603	35,280
Deferred Compensation	<u>99,150</u>	<u>137,533</u>
Total Liabilities	4,407,545	5,750,794
 NET ASSETS		
Without Donor Restriction:		
Available For General Activities	6,547,315	7,412,799
Board-Designated:		
Endowment Fund	30,896,766	26,343,149
Building Replacement	387,552	362,552
Special Projects	<u>1,327,366</u>	<u>1,381,582</u>
Total Net Assets Without Donor Restriction	39,158,999	35,500,082
 With Donor Restriction:	 <u>12,898,893</u>	 <u>12,037,924</u>
Total Net Assets	<u>52,057,892</u>	<u>47,538,006</u>
 Total Liabilities and Net Assets	 <u><u>\$ 56,465,437</u></u>	 <u><u>\$ 53,288,800</u></u>

See accompanying Notes to Combined Financial Statements.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
PUBLIC SUPPORT AND REVENUE				
Total Gross Campaign Results (Fall of 2023/2024)	\$ 4,278,978	\$ -	\$ 4,278,978	\$ 4,449,303
Total Gross Campaign Results in Prior Year Released from Restriction	13,443,760	(13,443,760)	-	-
Total Campaign Results (Fall of 2023/2024)	17,722,738	(13,443,760)	4,278,978	4,449,303
Less: Donor Designated Pledges to Specific Agencies	4,654,466	(4,011,127)	643,339	901,754
Total Campaign Revenue	13,068,272	(9,432,633)	3,635,639	3,547,549
Less: Allowance for Unpaid Pledges	355,447	(333,995)	21,452	34,567
Net Campaign Revenue (Fall of 2023/2024)	12,712,825	(9,098,638)	3,614,187	3,512,982
Total Gross Campaign Results (Fall of 2024/2025)	-	13,343,876	13,343,876	13,305,691
Less: Donor Designated Pledges to Specific Agencies	-	3,466,252	3,466,252	4,011,127
Total Campaign Revenue	-	9,877,624	9,877,624	9,294,564
Less: Allowance for Unpaid Pledges	-	346,833	346,833	333,994
Net Campaign Revenue (Fall of 2024/2025)	-	9,530,791	9,530,791	8,960,570
Current Year Campaign Contributions Released from Restriction	109,340	(109,340)	-	-
Contributions Received in Current Year for Future Years	-	374,744	374,744	423,880
Noncampaign Contributions Released from Restriction	957,581	(957,581)	-	-
Noncampaign Contributions of Cash and Other Financial Assets	1,187,159	859,065	2,046,224	4,362,545
Noncampaign Contributions of Nonfinancial Assets	199,457	-	199,457	209,872
Grants	555,745	-	555,745	417,568
Federal Grants	1,219,099	-	1,219,099	734,892
Total Public Support	16,941,206	599,041	17,540,247	18,622,309
Investment Income	4,391,645	150,936	4,542,581	4,036,300
Change in Beneficial Interest in Net Assets Held by Others	44,918	-	44,918	43,104
Rental Income	68,071	-	68,071	66,765
Donor Designation Fees	239,667	-	239,667	284,611
Miscellaneous	97,917	-	97,917	49,213
Sponsored Activities, Net	(77,817)	260,575	182,758	(110,365)
Other Net Assets Released from Restriction	149,583	(149,583)	-	-
Total Public Support and Revenue	21,855,190	860,969	22,716,159	22,991,937

See accompanying Notes to Combined Financial Statements.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINED STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
EXPENSES				
Program Services:				
Community Impact	\$ 14,706,600	\$ -	\$ 14,706,600	\$ 13,802,881
Agency and Volunteer Development	3,758,408	-	3,758,408	4,559,247
Total Funds Awarded/Distributed	18,465,008	-	18,465,008	18,362,128
Less: Donor Designations	4,353,077	-	4,353,077	4,446,064
Total Program Expenses	14,111,931	-	14,111,931	13,916,064
Supporting Services:				
Management and General	1,311,631	-	1,311,631	1,211,234
Resource Development (Fundraising)	2,772,711	-	2,772,711	2,240,717
Total Supporting Services	4,084,342	-	4,084,342	3,451,951
Total Expenses	18,196,273	-	18,196,273	17,368,015
CHANGE IN NET ASSETS	3,658,917	860,969	4,519,886	5,623,922
Net Assets - Beginning of Year	35,500,082	12,037,924	47,538,006	41,914,084
NET ASSETS - END OF YEAR	<u>\$ 39,158,999</u>	<u>\$ 12,898,893</u>	<u>\$ 52,057,892</u>	<u>\$ 47,538,006</u>

See accompanying Notes to Combined Financial Statements.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)**

	Program Services			Supporting Services			2024	2023
	Community Impact	Agency and Volunteer Development	Total	Management and General	Resource Development	Total	Total Expenses	Total Expenses
Salaries	\$ 2,297,366	\$ 760,423	\$ 3,057,789	\$ 750,032	\$ 1,428,716	\$ 2,178,748	\$ 5,236,537	\$ 4,709,088
Payroll Taxes	161,576	61,599	223,175	55,825	106,479	162,304	385,479	345,963
Employee Benefits	457,987	190,202	648,189	190,108	312,630	502,738	1,150,927	936,770
Total Salaries and Related Expenses	2,916,929	1,012,224	3,929,153	995,965	1,847,825	2,843,790	6,772,943	5,991,821
Professional Fees	998,451	109,176	1,107,627	71,404	55,773	127,177	1,234,804	567,175
Data Processing	167,751	98,655	266,406	72,868	131,470	204,338	470,744	493,790
Supplies	10,726	108,274	119,000	411	380	791	119,791	91,080
Telephone and Networks	2,755	21,824	24,579	2,814	3,246	6,060	30,639	23,827
Postage and Shipping	647	482	1,129	5,176	1,726	6,902	8,031	39,005
Occupancy	33,425	35,275	68,700	44,711	71,016	115,727	184,427	199,223
Rental Expense	96,142	-	96,142	-	-	-	96,142	100,811
Printing	23,283	14,573	37,856	12,015	279,422	291,437	329,293	183,539
Travel and Meeting Expense	24,756	12,932	37,688	6,672	30,033	36,705	74,393	63,396
Staff Development	9,669	3,999	13,668	6,603	12,967	19,570	33,238	47,991
Insurance	6,677	2,186	8,863	2,823	4,815	7,638	16,501	15,118
Miscellaneous	4,083	775	4,858	9,932	170,489	180,421	185,279	157,945
Payments to Affiliated Organizations	86,684	49,507	136,191	46,852	79,875	126,727	262,918	280,771
Lease Expense	4,409	4,599	9,008	2,854	6,138	8,992	18,000	17,683
Membership Dues	10,705	5,432	16,137	5,140	8,767	13,907	30,044	30,993
Total Operations Before Depreciation and Allocations/Awards	4,397,092	1,479,913	5,877,005	1,286,240	2,703,942	3,990,182	9,867,187	8,304,168
Depreciation	47,426	34,249	81,675	25,391	68,769	94,160	175,835	189,938
Total Operations	4,444,518	1,514,162	5,958,680	1,311,631	2,772,711	4,084,342	10,043,022	8,494,106
Allocations/Awards	10,262,082	2,244,246	12,506,328	-	-	-	12,506,328	13,319,973
Total Operations and Allocations/Awards	14,706,600	3,758,408	18,465,008	1,311,631	2,772,711	4,084,342	22,549,350	21,814,079
Less: Donor Designations	(3,245,302)	(1,107,775)	(4,353,077)	-	-	-	(4,353,077)	(4,446,064)
Total Expenses	<u>\$ 11,461,298</u>	<u>\$ 2,650,633</u>	<u>\$ 14,111,931</u>	<u>\$ 1,311,631</u>	<u>\$ 2,772,711</u>	<u>\$ 4,084,342</u>	<u>\$ 18,196,273</u>	<u>\$ 17,368,015</u>

See accompanying Notes to Combined Financial Statements.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023)**

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 4,519,886	\$ 5,623,922
Adjustments to Reconcile Change in Net Assets to Net		
Cash Provided by Operating Activities:		
Depreciation and Amortization	203,012	216,370
Loss on Disposals of Fixed Assets	200	10,269
Gain on Investments	(3,431,837)	(3,427,861)
Change in Value of Beneficial Interest in Assets Held by Others	(83,423)	(81,032)
Increase (Decrease) from Changes in:		
Contributions Receivable and Distributions Payable	102,790	(1,004,593)
Other Receivables	752,211	1,048,568
Prepaid Expenses and Other Assets	(66,099)	(98,066)
Accounts Payable and Accrued Expenses	(495,851)	289,694
Operating Lease Liabilities	(4,677)	(3,135)
Deferred compensation	(38,383)	(22,960)
Net Cash Provided by Operating Activities	<u>1,457,829</u>	<u>2,551,176</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment	(57,286)	(178,953)
Purchase of Certificates of Deposit, Money Markets and Investments	(24,584,671)	(11,798,844)
Proceeds from Maturities and Sales of Certificates of Deposit, Money Markets and Investments	22,184,490	11,838,545
Disbursements of Loan Receivables	(175,000)	(500,000)
Proceeds from Loan Receivable Repayments	3,053	2,963
Proceeds from Distribution of Beneficial Interest in Assets Held by Others	38,505	37,928
Net Cash Used by Investing Activities	<u>(2,590,909)</u>	<u>(598,361)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,133,080)	1,952,815
Cash and Cash Equivalents - Beginning of Year	<u>2,670,053</u>	<u>717,238</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,536,973</u></u>	<u><u>\$ 2,670,053</u></u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Right-of-Use Assets Acquired through Operating Leases	<u>\$ -</u>	<u>\$ 26,807</u>
Right-of-Use Assets Disposed through Early Termination of Operating Lease	<u>\$ -</u>	<u>\$ (22,680)</u>

See accompanying Notes to Combined Financial Statements.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

United Way of Dane County, Inc. (the Corporation) is a nonprofit organization whose mission is to unite the community to achieve measurable results and change lives. United Way of Dane County Foundation, Inc. (the Foundation) is a nonprofit organization which raises funds through lifetime and testamentary charitable contributions for the purpose of creating and maintaining an endowment fund to provide support for health and human service needs in and around Dane County. The Partners in Giving Campaign (State, University and UW Health Employees of Dane County Combined Campaign (SECC)), Madison Metropolitan School District, Madison College Combined Campaign, City of Madison Combined Campaign and County of Dane Combined Campaign (the Affiliates) collect contributions from employees for voluntary health, welfare, educational and social change agencies. United Way of Dane County, Inc., United Way of Dane County Foundation, Inc. and Affiliates are collectively referred to as the Corporation throughout this report.

A summary of the Corporation's significant accounting policies follows:

Principles of Combination

The combined financial statements include the accounts of United Way of Dane County, Inc. and United Way of Dane County Foundation, Inc. as well as all fundraising campaigns for which United Way of Dane County is the fiscal agent, which include SECC, Madison Metropolitan School District, Madison College, City of Madison and County of Dane Combined Campaigns. SECC fiscal agent status is authorized under Administrative Rule section 30 of the Wisconsin Administrative Code. The United Way of Dane County Foundation, Inc. is consolidated with the United Way of Dane County, Inc., while the affiliate fundraising campaigns are combined. All significant intercompany accounts and transactions have been eliminated in combination.

Accounting Policies

The Corporation follows accounting standards established by the Financial Accounting Standards Board (FASB) to ensure consistent reporting of financial condition, changes in net assets, and cash flows. References to accounting principles generally accepted in the United States of America (GAAP) in these footnotes are to the FASB Accounting Standards Codification, sometimes referred to as the Codification or ASC.

Basis of Presentation

The Corporation has presented its assets and liabilities on the combined statement of financial position in an unclassified manner, but in order of liquidity.

The combined financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with Accounting Principles Generally Accepted (GAAP) in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's combined financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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

Use of Estimates

The preparation of combined financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period.

Certificates of Deposit and Money Markets

Certificates of deposit and money markets are carried at fair value. Certificates of deposit and money markets whose use is limited for Affiliates consists of amounts held for the Partners in Giving Campaign (SECC), Madison Metropolitan School District, Madison College, City of Madison and County of Dane Combined Campaigns.

Concentration of Credit Risk

The Corporation has deposits, money market funds, and investments in certificates of deposits in financial institutions which exceed the amounts insured by the Federal Deposit Insurance Corporation (FDIC). Management does not believe this exposes the Corporation to any unusual credit risk.

Investments

Investments, including those whose use is limited, include U.S. Government obligations, mutual funds, corporate bond obligations, and common stock, which are carried at fair value, with gains and losses included in the statement of activities as net assets without donor restriction unless the income or loss is restricted by donor or law. Investments, whose use is limited, are those investments relating to the deferred compensation agreement discussed in Note 6.

Contributions Receivable

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Management determines the allowance for uncollectible pledges by using historical experience applied to an aging of accounts. Contributions receivables are written off when deemed uncollectible. Recoveries of contributions receivable previously written off are recorded when received.

Current year and prior year campaign contributions receivable totaling \$6,297,174 are expected to be collected in 2025. Contributions receivable in future years are expected to be collected by 2026.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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

Other Receivables

Other receivables primarily consist of noncampaign contribution pledges and federal grants. Noncampaign contribution pledges and federal grants are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by regularly evaluating individual balances for collectability. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. A receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 90 days. Interest is not charged on past due receivable balances. Management has determined that no allowance is needed at December 31, 2024. See Note 14 for Centennial Campaign pledge receivables which are included within other receivables on the statement of financial position.

Loans Receivable and Allowance for Credit Losses

Loan receivables are valued at lower of cost or fair value, less an allowance for credit losses. A loan receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 5 days past loan repayment schedules.

The Corporation adopted ASC 326, *Financial Instruments – Credit Losses*, with the cumulative-effect transition method with the required prospective approach. The measurement of expected credit losses under the current expected credit loss (CECL) methodology is applicable to financial assets measured at amortized cost, which include loans receivable. An allowance for credit losses under the CECL methodology is determined using the loss-rate approach and measured on a collective (pool) basis when similar risk characteristics exist. Where financial instruments do not share risk characteristics, they are evaluated on an individual basis. The CECL allowance is based on relevant available information, from internal and external sources, relating to past events, current conditions and reasonable and supportable forecasts. The allowance for credit losses as of December 31, 2024, and change in the allowance for credit losses during the year ended December 31, 2024, was not material to the financial statements.

Loan receivables consist of seven loans, with original maturities of 15 to 20 years, with development corporations to help fund projects in conjunction with the Affordable Housing Fund within the United Way of Dane County Foundation. The Affordable Housing Fund is intended to help create and sustain affordable housing options in Dane County. As of December 31, 2024, the outstanding loan receivables balance is \$809,722. Interest charged on loan receivables is 3% annually and maturity dates range from August 2034 to June 2042. There were no write offs of loan receivable amounts during the year ended December 31, 2024.

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

Beneficial Interest in Assets Held by Others

The Corporation has a beneficial interest in assets held by the Madison Community Foundation (MCF) in the United Way Endowment Fund (Endowment). The Endowment was created by a transfer of assets from the Corporation to MCF, naming the Corporation as beneficiary. The Corporation recognizes changes in its beneficial interest in assets held by others in the accompanying combined statement of activities as a change in beneficial interest in assets held by others.

Leases – Lessee

The Corporation determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Corporation obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Corporation also considers whether its service arrangements include the right to control the use of an asset.

The Corporation recognizes most leases on its combined statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the combined statement of activities.

The Corporation made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Corporation made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

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

Leases – Lessee (Continued)

The Corporation has not made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its equipment asset class. The nonlease components typically represent additional services transferred to or by the Corporation, such as supplies and maintenance, which are expensed as incurred in accordance with U.S. GAAP.

Land, Building, and Equipment

Land, building and equipment which exceed \$500 when acquired or received are recorded at cost if purchased or fair value if received as a contribution. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Lives used for calculating depreciation rates for the principal asset classifications are as follows:

Building	40 Years
Building Improvement	20 Years
Furniture and Equipment	10 Years
Computer Equipment	5 Years

Classification of Net Assets

The Corporation has the following net asset classifications:

Net Assets Without Donor Restriction – Net assets without donor restriction represent resources that are generally available for support of the Corporation's activities. From time to time the Board designates a portion of these net assets for specific purposes. The Board has designated net assets for endowment, building replacement, and special project funds.

Net Assets With Donor Restriction – Net assets with donor restriction are restricted by a donor for use for a particular purpose or in a particular future period. Some donor implied restrictions are temporary in nature and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Corporation must use the resources in accordance with the donor's instructions.

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DECEMBER 31, 2024**

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

Campaign and Noncampaign Contributions

All contributions are considered to be without donor restriction unless specifically restricted by the donor and are recorded upon receipt of cash or unconditional pledge. Amounts received that are restricted for future periods or are restricted by the donor for specific purposes are reported as net assets with donor restriction that increases that net asset class. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to net assets without donor restriction and are reported in the combined statement of activities as net assets released from restriction. Contributions received with donor restrictions that are met in the same year are recognized as increases in net assets without donor restrictions. Contributions are recorded within the noncampaign contributions of cash and other financial assets, noncampaign contributions of nonfinancial assets, contributions received in current year for future years, and total gross campaign results on the combined statement of activities, depending on the type of contribution received.

Donor-Designated Campaign Contributions

Donor designations to specific organizations for which the donor has not granted variance power to the Corporation are presented as agency transactions in the combined statement of financial position and are not recognized as revenue. Donor designations to specific organizations are distributed to the agencies. Donor-designated pledges are assessed a fundraising and management and general fee based upon actual historical costs. Donor designations to specific organizations are presented in the campaign results in the combined statement of activities and in contributions receivable and distributions payable in the combined statement of financial position.

Grants Revenue

Revenue from grants, including federal grants, is recognized when the barriers have been met (generally when qualifying expenses have been incurred and all other grant requirements have been met). Funds received in advance and not yet earned are recorded as deferred revenues. The Corporation has conditional grants awarded from grantors of approximately \$4,037,000 as of December 31, 2024, of which approximately \$2,200,000 is unrecognized. These amounts have not been recognized, because the Corporation has not yet met the related barriers. Future payments are contingent upon the Corporation carrying out certain activities related to meeting grantor-imposed barriers stipulated by the grant or contract.

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

Rental Income

The Corporation leases office space within their owned building to nonprofit organizations. These leases may contain extension and termination options that are predominantly at the sole discretion of the lessee, provided certain conditions are satisfied. Lease components are elements of an arrangement that provide the customer with the right to use an identified asset. Nonlease components are distinct elements of a contract that are not related to securing the use of the leased asset and revenue is recognized in accordance with ASC *Topic 606, Revenue from Contracts with Customers*. The Corporation has no nonlease components. The Corporation capitalizes incremental direct leasing costs and expenses nonincremental direct costs. The Corporation had no incremental leasing costs for the year ended December 31, 2024.

Future undiscounted cash flows to be received in the next fiscal year (2025) are \$68,063 as of December 31, 2024.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized and presented by function and natural classification. Certain expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Nondepreciation expenses are allocated based upon individual staff time estimates by department and program areas. Building depreciation is allocated based upon square footage by department, furniture/equipment depreciation is allocated based upon acquisitions, and computer depreciation is allocated based upon staff usage by department.

Income Taxes

United Way of Dane County, Inc. (UWDC) and the Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. UWDC and the Foundation are also exempt from state income and franchise taxes.

UWDC and the Foundation file a Form 990 (Return of Organization Exempt from Income Tax) annually. When these returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would ultimately be sustained. Examples of tax positions include such matters as the following: the tax exempt status of UWDC and the Foundation and various positions relative to potential sources of unrelated business income tax (UBIT). UBIT is reported on Form 990T, as appropriate. The benefit of a tax position is recognized in the combined financial statements in the period during which, based on all available evidence, management believes that it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any.

**UNITED WAY OF DANE COUNTY, INC.
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DECEMBER 31, 2024**

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

Subsequent Events

Management of the Corporation has evaluated subsequent events through June 17, 2025, the date the combined financial statements were available to be issued for possible measurement and/or disclosure effects on the combined financial statements.

NOTE 2 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Corporation's financial assets available for general expenditures within one year of December 31, 2024:

Cash	\$ 1,536,973
Certificates of Deposit and Money Markets	9,508,701
Investments	29,917,087
Contributions Receivable, Net	6,297,174
Other Receivables	3,727,239
Total Financial Assets	<u>50,987,174</u>
Less:	
Amounts Unavailable for General Expenditures Within One Year, Due to:	
Restricted by Donor With Purpose Restrictions	1,089,476
Restricted by Donor With Designations	3,884,989
Restricted by Donors in Perpetuity	937,540
Certificates of Deposit Maturing After December 31, 2025	2,327,799
Noncampaign Pledges Due in Future Years	<u>377,161</u>
Total Amounts Unavailable for General Expenditures Within One Year	8,616,965
Amounts Unavailable to Management Without Board Approval:	
Board-Designated for Endowment Fund	30,896,766
Board-Designated for Building Replacement	387,552
Board-Designated for Special Projects	<u>1,327,366</u>
Total Amounts Unavailable to Management Without Board Approval	<u>32,611,684</u>
Total Financial Assets Available to Management for General Expenditures Within One Year	<u><u>\$ 9,758,525</u></u>

**UNITED WAY OF DANE COUNTY, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS
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NOTE 2 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

Liquidity Management

The Corporation maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Corporation invests cash in excess of immediate needs into short-term investments. In the event of an unanticipated liquidity need, the Corporation could draw upon its board-designated net assets. The contribution receivables are subject to time and purpose restrictions. The time restrictions are expected to be released within one year. Noncampaign pledges not expected to be collected within one year are removed from financial assets available for general expenditures within one year, as noted above. Purpose restrictions not expected to be accomplished within one year are removed from financial assets available for general expenditures within one year, as noted above.

NOTE 3 FAIR VALUE MEASUREMENTS AND INVESTMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under the provisions as assumptions market participants would use in pricing an asset or liability.

The three levels of the fair value hierarchy under the provisions are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. This level of the fair value hierarchy provides for the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2 – Inputs other than quoted prices within Level 1 that are observable for the investment, either directly or indirectly. These inputs include quoted prices for similar investments in active markets, quoted prices for identical or similar investments in markets that are not active, and inputs other than quoted prices that are observable for the investment, for example interest rate and yield curves, volatilities, prepayment speeds and credit risk among others. These are inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment estimation.

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NOTE 3 FAIR VALUE MEASUREMENTS AND INVESTMENTS (CONTINUED)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Corporation's assessment of the significance of a particular input to the fair value measurement in its entity requires judgment and considers factors specific to the investment.

The table below presents the balances of investments measured at fair value on a recurring basis by level within the hierarchy:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments, Certificates of Deposit, and Money Markets:				
Fixed Income Securities:				
U.S. Government Obligations	\$ 3,748,150	\$ 3,748,150	\$ -	\$ -
Corporate Bond Obligations	1,271,352	1,271,352	-	-
Equity Securities	12,851,204	12,851,204	-	-
Mutual Funds:				
Equity	10,235,367	10,235,367	-	-
Fixed Income	1,887,160	1,887,160	-	-
Certificates of Deposit	7,231,125	-	7,231,125	-
Money Markets	3,028,797	3,028,797	-	-
Total Investments, Certificates of Deposit, and Money Markets	40,253,155	33,022,030	7,231,125	-
Beneficial Interest in Assets Held by Others	991,626	-	-	991,626
Total	<u>\$ 41,244,781</u>	<u>\$ 33,022,030</u>	<u>\$ 7,231,125</u>	<u>\$ 991,626</u>

The reconciliation of the table above to the combined statement of financial position is as follows:

Investments	\$ 29,917,087
Investments, Whose Use is Limited	76,146
Certificates of Deposit and Money Markets	9,508,701
Certificates of Deposit and Money Markets, Whose Use is Limited	751,221
Beneficial Interest in Assets Held by Others	991,626
Total	<u>\$ 41,244,781</u>

Investment income on the combined statement of activities for the year ended December 31, 2024 consisted of:

Interest and Dividends	\$ 1,110,744
Net Realized and Unrealized Gains	3,431,837
Total Investment Income	<u>\$ 4,542,581</u>

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NOTE 3 FAIR VALUE MEASUREMENTS AND INVESTMENTS (CONTINUED)

Change in beneficial interest in assets held by others on the combined statement of activities for the year ended December 31, 2024 consisted of:

Change in Value of Beneficial Interest in Assets	
Held by Others	\$ 83,423
Distribution of Beneficial Interest in Assets Held	
by Others	<u>(38,505)</u>
Net Change In Beneficial Interest In Assets	
Held By Others	<u><u>\$ 44,918</u></u>

The following is a description of the valuation techniques used for the Corporation's assets measured at fair value:

Investments

The Corporation's investment portfolio consists of debt and equity securities which are traded on the NASDAQ and the NYSE. Fair value is based on quoted market prices for the individual investment security. The Corporation invests in a professionally managed portfolio that contains equity securities, corporate bond obligations, equity and fixed income mutual funds, and U.S. Government obligations. Such investments 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 would materially affect investment balances and the amounts reported in the combined financial statements.

Beneficial Interest in Assets Held by Others

The beneficial interest in assets held by others is measured at fair value that is determined by underlying assets which are Level 1 and Level 2 investments.

For the year ended December 31, 2024, valuation techniques have been consistent with the prior year.

NOTE 4 LAND, BUILDING, AND EQUIPMENT

Land, building, and equipment consisted of the following at December 31, 2024:

Land	\$ 137,238
Building and Building Improvement	4,046,266
Furniture and Equipment	<u>1,639,512</u>
Subtotal	5,823,016
Less: Accumulated Depreciation	<u>3,680,521</u>
Total	<u><u>\$ 2,142,495</u></u>

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NOTE 5 POSTRETIREMENT BENEFITS

The Corporation has a defined contribution plan covering substantially all employees who have met certain age and service requirements. The board of directors approves the base contribution percentage, which for year ending December 31, 2024, was 8% of compensation. Cost of the plan charged to operations was approximately \$290,700 for the year ended December 31, 2024.

NOTE 6 DEFERRED COMPENSATION AGREEMENT

The Corporation has a deferred compensation agreement with its former President/CEO. The deferred compensation expense is adjusted based on the fair market value changes of the underlying fund balance. The change in fair value for the year ended December 31, 2024, was \$8,733. The deferred compensation liability was \$54,380 at December 31, 2024. The full value of the fund is being distributed to the former president in 20 quarterly installments, which began in 2020. The deferred compensation distributions in 2024 totaled \$69,385.

During 2023, the Corporation entered into a deferred compensation agreement with its current President/CEO. The Corporation will make annual installments deposited into a deferred compensation fund, which is impacted by annual investment gains and losses. The annual installment made to the deferred compensation fund in 2024 was \$23,000. The change in fair value for the year ended December 31, 2024, was \$(731). The deferred compensation liability was \$44,770 at December 31, 2024. The full value of the fund will be paid to the President/CEO either as a lump sum or in a stated number of equal installments upon the earliest of the following events: reaching seventy- and one-half years of age; termination of employment or in an unforeseeable emergency.

NOTE 7 VISION COUNCIL FUNDING/DESIGNATIONS TO AGENCIES

A total of \$18,465,008 was distributed to agencies and the “Agenda for Change” through the work of the Vision Council and the Community Solutions teams. These funds were distributed to the following categories during the year ended December 31, 2024:

Community Impact	\$ 14,706,600
Agency and Volunteer Development	<u>3,758,408</u>
Total	18,465,008
Less: Donor Designations to Specific Organizations	<u>4,353,077</u>
Total Community Building Funds Net of Designations	<u><u>\$ 14,111,931</u></u>

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NOTE 7 VISION COUNCIL FUNDING/DESIGNATIONS TO AGENCIES (CONTINUED)

United Way of Dane County, Inc. has an agreement with Community Health Charities, an unrelated nonprofit organization, to provide a single community-wide campaign which began with the 2016 campaign. Terms of the agreement provide for Community Health Charities to receive the greater of actual designations or 5.1% of private sector net campaign receipts. The actual amount allocated is reduced by a percentage of campaign administration expenses and uncollectible pledges. The allocation was approximately \$274,400 in 2024, which is included in the allocation/awards on the combined statement of functional expenses. The allocation for 2025 will approximate \$123,500.

United Way of Dane County, Inc. has an agreement with the American Heart Association, an unrelated nonprofit organization, which began with the 2021 campaign and continues through December 31, 2024. As part of the agreement, the American Heart Association is associated with United Way's annual campaigns and receives funding. The American Heart Association received approximately \$154,000 in 2024, which is included in the allocation/awards on the combined statement of functional expenses. The allocation for 2025 will approximate \$127,000.

NOTE 8 PAYMENTS TO AFFILIATED ORGANIZATIONS

United Way of Dane County, Inc. serves the citizens of Dane County, and is independently governed by a local board of community leaders and volunteers. United Way of Dane County, Inc. is dedicated to creating positive change and is a member organization of United Way Worldwide and paid annual membership fees of \$262,918 for the year ended December 31, 2024.

NOTE 9 FISCAL AGENT SERVICES

United Way of Dane County, Inc. is the fiscal agent for the Partners in Giving Campaign (State, University and UW Health Employees of Dane County Combined Campaign (SECC)), Madison Metropolitan Schools District, Madison College, City of Madison, and County of Dane Combined Campaigns. It has custody of the campaign receipts and is responsible for all disbursements and financial reporting of the fundraising campaigns. The total gross campaign results (fall of 2024/2025) for the year ended December 31, 2024 was as follows:

Partners in Giving Campaign-SECC	\$ 1,865,126
Madison Metropolitan Schools District	26,964
Madison College	56,333
City of Madison	73,265
County of Dane	66,026
Total	<u><u>\$ 2,087,714</u></u>

**UNITED WAY OF DANE COUNTY, INC.
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NOTE 10 NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restriction are restricted for the following purposes:

Subject to Expenditure for Specified Purpose:	
HealthConnect	\$ 974,993
Alexis de Tocqueville Society	114,483
Subtotal	<u>1,089,476</u>
Subject to the Passage of Time:	
For Periods after December 31, 2024	10,871,877
Subject to Corporation Spending Policy and Appropriation:	
Investment in Perpetuity (Including Amounts Above	
Original Gift Amount of \$439,560), Which, Once	
Appropriated, is Expendable to Support:	
Children, Elderly, and Families	937,540
Total Net Assets With Donor Restriction	<u><u>\$ 12,898,893</u></u>

Net assets are released from donor restriction by incurring expenses satisfying the restricted purposes or by the passage of time or other events specified by donors. Net assets with donor restrictions were released for the following reasons during the year ended December 31, 2024:

Purpose Restriction Accomplished:	
HealthConnect	\$ 951,238
Alexis de Tocqueville Society	625
Subtotal	<u>951,863</u>
Time Restriction Expired:	
Passage of Specified Time	9,316,812
Release of Appropriated Endowment Amounts With	
Purpose Restriction:	
Children, Elderly, and Families	46,467
Total Restrictions Released	<u><u>\$ 10,315,142</u></u>

NOTE 11 CONTRIBUTED SERVICES

Contributed services are included in the accompanying combined statement of activities as noncampaign contributions of nonfinancial assets. Contributed services include marketing services of \$85,662, included in resource development expense, legal services of \$4,166, included in management and general expense and supervisory services of \$109,629, included in program expenses. All contributed services are reported at the estimated fair value in the combined statement of activities based on current rates for similar services.

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NOTE 11 CONTRIBUTED SERVICES (CONTINUED)

Approximately 18,400 hours in 2024 were volunteered by employees of local companies participating in activities including the board of directors, employee campaign managers, loaned executives, operating committees, and program volunteers. Volunteers assist the Corporation during the annual campaign. No value has been assigned or reported in the accompanying combined financial statements for volunteered services.

NOTE 12 ENDOWMENT FUNDS

The Corporation's endowment consists of individual funds established for programs intended to protect the future of the children, adult and elderly programs, community building and Vision Council purposes. Its endowments include both donor-restricted endowment funds and funds designated by the board of directors to function as an endowment. Donor-restricted endowment funds include those funds that provide a perpetual source of support for the Corporation's activities (referred to as perpetual endowments) and those that are restricted by donors to investment for a specified term (referred to as term endowments). As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restriction.

Interpretation of Relevant Law

The board of directors of the Corporation has interpreted the Wisconsin Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Donor-restricted endowment funds are subject to a time restriction imposed by UPMIFA until amounts are appropriated for expenditure by the Corporation. In addition, most perpetual donor restricted endowment funds are subject to restrictions on the use of the appropriated amounts. Note 10 describes the purposes for which donor-restricted endowment may be used. As a result of this interpretation, the Corporation classified as with donor restriction: (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets are included in endowment net assets with donor restriction until those amounts are appropriated for expenditure by the Corporation in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Corporation's endowment net asset composition by type of fund is as follows as of December 31, 2024:

	Without Donor Restriction	With Donor Restriction	Total
Donor-Restricted	\$ -	\$ 1,052,023	\$ 1,052,023
Board-Designated	30,896,766	-	30,896,766
Total Funds	<u>\$ 30,896,766</u>	<u>\$ 1,052,023</u>	<u>\$ 31,948,789</u>

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NOTE 12 ENDOWMENT FUNDS (CONTINUED)

The changes in endowment by net asset class for the Corporation were as follows for the year ended December 31, 2024:

	Without Donor Restriction	With Donor Restriction	Total
Endowment Net Assets - Beginning of Year	\$ 26,343,149	\$ 949,483	\$ 27,292,632
Investment Return:			
Investment Income (Net of Fees)	704,972	27,662	732,634
Net Appreciation (Realized and Unrealized)	2,976,394	121,970	3,098,364
Total Investment Gain	3,681,366	149,632	3,830,998
Transfer to Board-Designated	1,903,294	-	1,903,294
Appropriation of Endowment Assets for Expenditures	(1,031,043)	(47,092)	(1,078,135)
Endowment Net Assets - End of Year	<u>\$ 30,896,766</u>	<u>\$ 1,052,023</u>	<u>\$ 31,948,789</u>

Funds With Deficiencies

From time to time, the fair value of assets associated with the individual donor- restricted endowment fund may fall below the level that the donor or Wisconsin UPMIFA requires the Corporation to retain as a fund of perpetual duration. There were no deficiencies of this nature as of December 31, 2024.

Return Objectives and Risk Parameters

The Corporation 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. Endowment assets include those assets of donor-restricted funds that the Corporation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. The Corporation expects the endowment fund to achieve competitive investment results by providing total return, balancing growth and preservation of capital that allows the Corporation to pay a portion of assets in grants each year while maintaining purchasing power of the assets.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Corporation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Corporation targets a managed diversified asset allocation that places emphasis on debt, government, and equity-based investments to achieve its long-term return objectives within prudent risk constraints.

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DECEMBER 31, 2024**

NOTE 12 ENDOWMENT FUNDS (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Corporation has a policy of appropriating for distribution each year a percentage of the three-year average quarterly net fair market value of the Corporation assets valued as of December 31 of each year. This calculation is determined by averaging the current quarter value with the prior eleven quarters. The distribution percentage shall be established from time to time by the Corporation Trustees, as they deem appropriate to fulfill the mission of the Corporation. In establishing this policy, the Corporation considered the long-term expected return on its endowment.

NOTE 13 LEASES-LESSEE

The Corporation leases equipment under operating lease agreements that have initial terms of five years. Leases include an option to renew, at the Corporation's sole discretion, with renewal terms that can extend the lease term up to five more years. The option to extend a lease is included in the lease terms when it is reasonably certain that the Corporation will exercise that option. The Corporation's operating leases do not contain any material restrictive covenants or residual value guarantees. Operating lease expense is recognized on a straight-line basis over the lease term and is included in the accompanying combined statement of functional expenses under the caption lease expense.

Supplemental cash flow information related to leases is as follows for the year ended December 31, 2024:

Cash Paid for Amounts Included in Measurement of
Lease Liabilities:

Operating Cash Outflows-Payments on Operating Leases	<u>\$ 18,000</u>
---	------------------

Supplemental combined statement of financial position information related to leases is as follows as of December 31, 2024:

Operating Leases Weighted-Average Remaining Lease Term	2.9 Years
Operating Leases Weighted-Average Discount Rate	3.3 %

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 13 LEASES-LESSEE (CONTINUED)

Future undiscounted cash flows and a reconciliation to the lease liabilities recognized on the combined statement of financial position are as follows as of December 31, 2024:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2025	\$ 17,683
2026	17,683
2027	16,931
Total Lease Payments	<u>52,297</u>
Less: imputed interest	<u>(21,694)</u>
Total Present Value of Lease Liabilities	<u><u>\$ 30,603</u></u>

NOTE 14 CENTENNIAL CAMPAIGN PLEDGE RECEIVABLES

The Foundation has received multiple unconditional noncampaign pledge receivables which are included in the endowment fund as part of the Centennial Campaign. The Foundation will receive payments related to the pledges over the next five years. The pledge receivables have been discounted using U.S. Treasury rates ranging from 3.37% to 4.36%. The pledge receivables are included in other receivables on the combined statement of financial position.

Noncampaign Pledge Receivables	\$ 2,979,500
Less: Discount for the Time Value of Money	<u>(40,339)</u>
Net Pledges Receivable	<u><u>\$ 2,939,161</u></u>
Amounts Due in:	
Less Than One Year	\$ 2,562,000
One to Five Years	<u>377,161</u>
Total	<u><u>\$ 2,939,161</u></u>

As of December 31, 2024, approximately 67% of the outstanding balances were due from one donor.

UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	United Way of Dane County, Inc.	United Way of Dane County Foundation, Inc.	Affiliates	Eliminations	Total
ASSETS					
Cash	\$ 335,352	\$ 1,201,621	\$ -	\$ -	\$ 1,536,973
Certificates of Deposit and Money Markets	9,353,970	154,731	-	-	9,508,701
Investments	628,524	29,288,563	-	-	29,917,087
Contributions Receivable:					
Current Year Campaign, Net	4,969,596	-	1,442,426	(971,360)	5,440,662
Prior Year Campaigns, Net	828,258	-	28,254	-	856,512
Future Years	219,678	-	-	-	219,678
Other Receivables	884,559	2,939,161	-	(96,481)	3,727,239
Prepaid Expenses and Other Assets	349,266	107,006	500	-	456,772
Certificates of Deposit and Money Markets, Whose Use is Limited	23,004	-	728,217	-	751,221
Investments, Whose Use is Limited	76,146	-	-	-	76,146
Loans Receivables	-	809,722	-	-	809,722
Beneficial Interest in Assets Held by Others	991,626	-	-	-	991,626
Interest in Net Assets of United Way of Dane County Foundation, Inc.	34,509,873	-	-	(34,509,873)	-
Operating Right-of-Use Assets	30,603	-	-	-	30,603
Land, Building, and Equipment, Net of Accumulated Depreciation	2,076,385	66,110	-	-	2,142,495
Total Assets	<u>\$ 55,276,840</u>	<u>\$ 34,566,914</u>	<u>\$ 2,199,397</u>	<u>\$ (35,577,714)</u>	<u>\$ 56,465,437</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts Payable and Accrued Expenses	\$ 292,690	\$ 57,041	\$ 139,553	\$ (96,481)	\$ 392,803
Distributions Payable:					
Donor Designations from Current Year Campaign	2,340,081	-	1,862,467	(1,028,500)	3,174,048
Donor Designations and Allocations from Prior Year Campaign	573,490	-	137,451	-	710,941
Operating Lease Liabilities	30,603	-	-	-	30,603
Deferred Compensation	99,150	-	-	-	99,150
Total Liabilities	<u>3,336,014</u>	<u>57,041</u>	<u>2,139,471</u>	<u>(1,124,981)</u>	<u>4,407,545</u>
NET ASSETS					
Without Donor Restriction:					
Available for General Activities	6,415,575	1,273,032	-	(1,141,292)	6,547,315
Board-Designated:					
Endowment Fund	30,896,765	30,896,766	-	(30,896,765)	30,896,766
Building Replacement	387,552	-	-	-	387,552
Special Projects	1,327,366	1,202,620	-	(1,202,620)	1,327,366
Total Net Assets Without Donor Restriction	<u>39,027,258</u>	<u>33,372,418</u>	<u>-</u>	<u>(33,240,677)</u>	<u>39,158,999</u>
With Donor Restriction	<u>12,913,568</u>	<u>1,137,455</u>	<u>59,926</u>	<u>(1,212,056)</u>	<u>12,898,893</u>
Total Net Assets	<u>51,940,826</u>	<u>34,509,873</u>	<u>59,926</u>	<u>(34,452,733)</u>	<u>52,057,892</u>
Total Liabilities and Net Assets	<u>\$ 55,276,840</u>	<u>\$ 34,566,914</u>	<u>\$ 2,199,397</u>	<u>\$ (35,577,714)</u>	<u>\$ 56,465,437</u>

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions					With Donor Restrictions					
	United Way of Dane County, Inc.	United Way of Dane County, Inc. Foundation, Inc.	Affiliates	Eliminations	Total	United Way of Dane County, Inc.	United Way of Dane County, Inc. Foundation, Inc.	Affiliates	Eliminations	Total	Total
PUBLIC SUPPORT AND REVENUE											
Total Gross Campaign Results (Fall of 2023/2024)	\$ 4,337,290	\$ -	\$ 53,957	\$ (112,269)	\$ 4,278,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,278,978
Total Gross Campaign Results in Prior Year Released from Restriction	12,340,249	-	2,040,437	(936,926)	13,443,760	(12,340,249)	-	(2,040,437)	936,926	(13,443,760)	-
Total Campaign Results (Fall of 2023/2024)	16,677,539	-	2,094,394	(1,049,195)	17,722,738	(12,340,249)	-	(2,040,437)	936,926	(13,443,760)	4,278,978
Less: Donor-Designated Pledges to Specific Agencies	3,616,803	-	1,997,201	(959,538)	4,654,466	(2,908,244)	-	(1,956,854)	853,971	(4,011,127)	643,339
Total Campaign Revenue	13,060,736	-	97,193	(89,657)	13,068,272	(9,432,005)	-	(83,583)	82,955	(9,432,633)	3,635,639
Less: Allowance for Unpaid Pledges	352,551	-	2,896	-	355,447	(328,856)	-	(5,139)	-	(333,995)	21,452
Net Campaign Revenue (Fall of 2023/2024)	12,708,185	-	94,297	(89,657)	12,712,825	(9,103,149)	-	(78,444)	82,955	(9,098,638)	3,614,187
Total Gross Campaign Results (Fall of 2024/2025)	-	-	-	-	-	12,127,738	-	2,087,715	(871,577)	13,343,876	13,343,876
Less: Donor-Designated Pledges to Specific Agencies	-	-	-	-	-	2,349,377	-	1,913,850	(796,975)	3,466,252	3,466,252
Total Campaign Revenue	-	-	-	-	-	9,778,361	-	173,865	(74,602)	9,877,624	9,877,624
Less: Allowance for Unpaid Pledges	-	-	-	-	-	342,234	-	4,599	-	346,833	346,833
Net Campaign Revenue (Fall of 2024/2025)	-	-	-	-	-	9,436,127	-	169,266	(74,602)	9,530,791	9,530,791
Current Year Campaign Contributions Released from Restriction	-	-	109,340	-	109,340	-	-	(109,340)	-	(109,340)	-
Contributions Received in Current Year for Future Years	-	-	-	-	-	374,744	-	-	-	374,744	374,744
Noncampaign Contributions Released from Restriction	957,581	-	-	-	957,581	(957,581)	-	-	-	(957,581)	-
Noncampaign Contributions of Cash and Other Financial Assets	388,433	1,956,875	-	(1,158,149)	1,187,159	859,065	-	-	-	859,065	2,046,224
Noncampaign Contributions of Nonfinancial Assets	199,457	-	-	-	199,457	-	-	-	-	-	199,457
Grants	555,745	-	-	-	555,745	-	-	-	-	-	555,745
Federal Grants	1,219,099	-	-	-	1,219,099	-	-	-	-	-	1,219,099
Total Public Support	16,028,500	1,956,875	203,637	(1,247,806)	16,941,206	609,206	-	(18,518)	8,353	599,041	17,540,247
Investment Income	493,166	3,897,729	750	-	4,391,645	-	150,936	-	-	150,936	4,542,581
Change in Beneficial Interest in Net Assets Held by Others	44,918	-	-	-	44,918	-	-	-	-	-	44,918
Rental Income	68,071	-	-	-	68,071	-	-	-	-	-	68,071
Donor-Designation Fees	234,936	-	4,731	-	239,667	-	-	-	-	-	239,667
Miscellaneous	90,082	62,425	-	(54,590)	97,917	-	-	-	-	-	97,917
Sponsored Activities, Net	(77,958)	141	-	-	(77,817)	260,575	-	-	-	260,575	182,758
Other Net Assets Released From Restriction	71,566	78,017	-	-	149,583	(71,566)	(78,017)	-	-	(149,583)	-
Total Public Support and Revenue	16,953,281	5,995,187	209,118	(1,302,396)	21,855,190	798,215	72,919	(18,518)	8,353	860,969	22,716,159

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	Without Donor Restrictions					With Donor Restrictions					
	United Way of Dane County, Inc.	United Way of Dane County, Inc. Foundation, Inc.	Affiliates	Eliminations	Total	United Way of Dane County, Inc.	United Way of Dane County, Inc. Foundation, Inc.	Affiliates	Eliminations	Total	Total
EXPENSES											
Program Services:											
Community Impact	\$ 15,598,909	\$ -	\$ -	\$ (892,309)	\$ 14,706,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,706,600
Agency And Volunteer Development	1,708,288	1,158,149	2,050,120	(1,158,149)	3,758,408	-	-	-	-	-	3,758,408
Total Funds Awarded/Distributed	17,307,197	1,158,149	2,050,120	(2,050,458)	18,465,008	-	-	-	-	-	18,465,008
Less: Donor Designations	3,245,302	-	1,959,241	(851,466)	4,353,077	-	-	-	-	-	4,353,077
Total Program Expenses	14,061,895	1,158,149	90,879	(1,198,992)	14,111,931	-	-	-	-	-	14,111,931
Supporting Services:											
Management and General	1,279,054	32,577	-	-	1,311,631	-	-	-	-	-	1,311,631
Resource Development (Fundraising)	2,601,313	156,563	118,239	(103,404)	2,772,711	-	-	-	-	-	2,772,711
Total Supporting Services	3,880,367	189,140	118,239	(103,404)	4,084,342	-	-	-	-	-	4,084,342
Total Expenses	17,942,262	1,347,289	209,118	(1,302,396)	18,196,273	-	-	-	-	-	18,196,273
Change in Interest In Net Assets of United Way of Dane County Foundation, Inc.	4,647,898	-	-	(4,647,898)	-	72,919	-	-	(72,919)	-	-
CHANGE IN NET ASSETS	3,658,917	4,647,898	-	(4,647,898)	3,658,917	871,134	72,919	(18,518)	(64,566)	860,969	4,519,886
Net Assets - Beginning of Year	35,368,341	28,724,520	-	(28,592,779)	35,500,082	12,042,434	1,064,536	78,444	(1,147,490)	12,037,924	47,538,006
NET ASSETS - END OF YEAR	<u>\$ 39,027,258</u>	<u>\$ 33,372,418</u>	<u>\$ -</u>	<u>\$ (33,240,677)</u>	<u>\$ 39,158,999</u>	<u>\$ 12,913,568</u>	<u>\$ 1,137,455</u>	<u>\$ 59,926</u>	<u>\$ (1,212,056)</u>	<u>\$ 12,898,893</u>	<u>\$ 52,057,892</u>

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
FALL OF 2023 (2023-2024) CAMPAIGN, OTHER REVENUE, PROGRAM SERVICES,
AND SUPPORTING EXPENSES (UNAUDITED)
DECEMBER 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

2023 CAMPAIGN PLEDGE RESULTS

Gross Undesignated Campaign Results	\$ 13,068,272	
Gross Designated Campaign Results	4,654,466	
Allowance for Unpaid Pledges	<u>(485,559)</u>	
Net Campaign Results from the Fall of 2023's Campaign	17,237,179	
Current Year Campaign Contributions Released from Restrictions	109,340	
Unrestricted Noncampaign Contributions and Grants	1,973,326	
Federal Grants	<u>1,219,099</u>	
Total Public Support	20,538,944	
Investment Income	262,610	
Rental Loss	(28,071)	
Net Sponsored Activity	(77,957)	
Miscellaneous Income	<u>35,490</u>	
Total Public Support and Revenue	20,731,016	

DISTRIBUTIONS, PROGRAM AND SUPPORTING SERVICES

Program Services	18,259,238	
Management and General	1,277,031	
Resource Development/Fundraising	<u>2,524,363</u>	
Total Distributions, Program and Supporting Services	<u>22,060,632</u>	
Deficit of Public Support and Revenue Over Total Distributions, Program and Supporting Services	\$ (1,329,616)	

Distributions and Services/Public Support and Revenue Ratio:

Total Distributions and Program Services	<u>\$ 18,259,238</u>	88.1 %
Total Public Support and Revenue	20,731,016	

This report is provided so the reader may better interpret the information shown on the organizations Federal Form 990. This report includes both designated and undesignated pledges made to the fall of 2023's United Way of Dane County campaign. This statement does not include in-kind contributions of \$199,457 and the activity of the United Way of Dane County Foundation.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
United Way of Dane County, Inc.
United Way of Dane County, Inc. Foundation and Affiliates
Madison, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, financial statements of United Way of Dane County, Inc., United Way of Dane County, Inc. Foundation and Affiliates (the Corporation), which comprise the combined statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, (collectively, the financial statements), and have issued our report thereon dated June 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.


Board of Directors
United Way of Dane County, Inc.
United Way of Dane County, Inc. Foundation and Affiliates

Report on Compliance and Other Items

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Madison, Wisconsin
June 17, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
United Way of Dane County, Inc.
United Way of Dane County, Inc. Foundation and Affiliates
Madison, Wisconsin

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited United Way of Dane County, Inc., United Way of Dane County, Inc. Foundation and Affiliates (the Corporation)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended December 31, 2024. The Corporation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Corporation's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance


A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Board of Directors
United Way of Dane County, Inc.
United Way of Dane County, Inc. Foundation and Affiliates

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Madison, Wisconsin
June 17, 2025

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Corporation for National and Community Service				
Pass through Wisconsin National and Community Service Board				
Serve Wisconsin Program	94.006	22AC250069	\$ 112,338	\$ 179,085
Serve Wisconsin Program	94.006	22AC240047	-	110,981
Serve Wisconsin Program	94.006	22AC250316	-	124,276
Serve Wisconsin Program	94.006	22AC240518	-	64,982
Total Corporation for National and Community Service			112,338	479,324
U.S. Department of Homeland Security				
Federal Emergency Management Agency (FEMA)				
Emergency Food and Shelter Program (EFSP)	97.024	41-9126-00-009	-	3,189
Total U.S. Department of Homeland Security			-	3,189
U.S. Department of Health and Human Services				
Pass Through Wisconsin Department of Health Services and 211 Wisconsin				
Public Health Emergency Preparedness	93.069	435100-G25-WI_PHEP-01	-	3,455
Substance Abuse and Mental Health Services Administration Opioid STR	93.788	435200-G25-104748-90	-	25,008
Pass Through Department of Children and Families and 211 Wisconsin				
Child Care and Development Block Grant	93.575	433001-S23-0002160-000-01	-	5,417
Pass Through Family Service of Northeast Wisconsin and 211 Wisconsin				
Block Grants for Community Mental Health Services	93.958	435200-G25-296681-90 X	-	10,231
Pass Through University of Wisconsin - Madison and 211 Wisconsin				
Covering Wisconsin	93.778	22-8756	-	4,042
Pass Through 211 Wisconsin				
Title IV-E Kinship Navigator Program	93.471	437003-S21-0001757-R02-01	-	996
MaryLee Allen Promoting Safe and Stable Families Program	93.556	437003-S21-0001757-R03-01	-	2,988
Total U.S. Department of Health and Human Services			-	52,137
Department of the Treasury				
Pass Through Wisconsin Department of Administration				
CORONAVIRUS State and Local Fiscal Recovery Funds				
Equitable Recovery Grant Program	21.027	SLFRP0135	496,673	684,449
Total Department of the Treasury			496,673	684,449
Total Expenditures of Federal Awards			\$ 609,011	\$ 1,219,099

See accompanying Notes to Schedule of Federal Awards.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Corporation under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost*. Because the Schedule presents only a selected portion of the operations of the Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Corporation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)

21.027

Name of Federal Program or Cluster

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes x no

UNITED WAY OF DANE COUNTY, INC.
UNITED WAY OF DANE COUNTY FOUNDATION, INC. AND AFFILIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Summary Schedule of Prior Year Audit Findings

There were no prior period audit findings.



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