



THE WHITLOCK CO.

CPAs and Consultants

UNITED WAY OF THE OZARKS, INC.

**FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION
with
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2024



Independent Auditor's Report

Board of Directors
United Way of the Ozarks, Inc.
Springfield, Missouri

Opinion

We have audited the financial statements of **United Way of the Ozarks, Inc. (United Way) (a nonprofit organization)**, which comprise the statement of financial position as of June 30, 2024, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **United Way of the Ozarks, Inc.** as of June 30, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **United Way of the Ozarks, Inc.** 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **United Way of the Ozarks, Inc.'s** ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **United Way of the Ozarks, Inc.**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **United Way of the Ozarks, Inc.**'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 Schedule of Historical Information for Loss on Collections is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The image shows a handwritten signature in black ink that reads "THE WHITLOCK CO., LLP". The signature is written in a cursive, slightly stylized font.

Springfield, Missouri
January 7, 2025

UNITED WAY OF THE OZARKS, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

	2024
Current assets	
Cash and cash equivalents	\$ 1,413,134
Short-term investments	920,909
Pledge campaign receivables, less allowance for uncollectible pledges of \$194,462	606,641
Prepaid expenses	20,543
Other receivables	3,787
Total current assets	2,965,014
 Non-current	
Cash surrender value of life insurance policy	30,640
Long-term investments	4,230
Property and equipment, net	139,021
Total non-current assets	173,891
 Total assets	 \$ 3,138,905

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	\$ 25,529
Accrued vacation	10,843
Donor designations payable	82,220
Total current liabilities	118,592
 Net assets	
Without donor restriction	
Undesignated	1,978,394
Board designated	821,499
Total without donor restriction	2,799,893
 With donor restriction	 220,420
Total net assets	3,020,313
 Total liabilities and net assets	 \$ 3,138,905

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

UNITED WAY OF THE OZARKS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	2024		
	Without donor restriction	With donor restriction	Total
Revenue and other support			
Campaign - current allocation period			
Contributions received	\$ 1,874,157	\$ -	\$ 1,874,157
Release of time restricted contributions	23,894	(23,894)	-
Less: pledges designated to other non-profit-organizations	(74,335)	-	(74,335)
Less: provision for uncollectible pledges	(194,462)	-	(194,462)
Total campaign - current period	<u>1,629,254</u>	<u>(23,894)</u>	<u>1,605,360</u>
Campaign - next allocation period			
Contributions received	-	8,029	8,029
Total campaign - next allocation period	<u>-</u>	<u>8,029</u>	<u>8,029</u>
Total campaign	1,629,254	(15,865)	1,613,389
Service fee income	4,520	-	4,520
Grant income	-	112,793	112,793
Sponsorships	53,825	65,840	119,665
Interest and dividends from investments	115,562	3,817	119,379
In-kind contributions	3,250	-	3,250
Miscellaneous income	35,124	-	35,124
Transfer (to) from other funds	(10,500)	10,500	-
Release from restriction	206,284	(206,284)	-
Total revenue and other support	<u>\$ 2,037,319</u>	<u>\$ (29,199)</u>	<u>\$ 2,008,120</u>

(continued)

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

UNITED WAY OF THE OZARKS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

(continued)

	2024		
	Without donor restriction	With donor restriction	Total
Total revenue and support	\$ 2,037,319	\$ (29,199)	\$ 2,008,120
Expenses			
Program services			
Community investment	1,119,646	-	1,119,646
Labor	20,193	-	20,193
Public relations	130,320	-	130,320
United Way projects	144,004	-	144,004
Total program services	1,414,163	-	1,414,163
Support services			
Fundraising	237,899	-	237,899
Management and general	168,180	-	168,180
Total support services	406,079	-	406,079
Total expenses	1,820,242	-	1,820,242
Change in net assets	217,077	(29,199)	187,878
Net assets - beginning of period	2,582,816	249,619	2,832,435
Net assets - end of period	\$ 2,799,893	\$ 220,420	\$ 3,020,313

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

UNITED WAY OF THE OZARKS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	<u>PROGRAM SERVICES</u>					<u>SUPPORT SERVICES</u>		<u>Totals</u>
	<u>Community investment</u>	<u>Labor</u>	<u>Public relations</u>	<u>Grants and contracts</u>	<u>Total program services</u>	<u>Fundraising</u>	<u>Management and general</u>	
Salaries and related expenses	\$ 216,450	\$ 5,685	\$ 75,905	\$ 29,896	\$ 327,936	\$ 167,084	\$ 73,567	\$ 568,587
Professional fees	6,469	1,391	2,094	11,326	21,280	3,735	23,241	48,256
Supplies and materials	3,971	837	4,465	4,426	13,699	3,899	1,548	19,146
Telephone	1,983	431	783	363	3,560	1,696	1,278	6,534
Occupancy	9,862	2,298	3,459	2,630	18,249	6,170	2,143	26,562
Insurance	2,574	600	903	505	4,582	1,610	546	6,738
Printing and publications	334	175	3,009	1,013	4,531	3,093	59	7,683
Local travel	67	9	963	2,322	3,361	1,570	712	5,643
Conferences, training & meetings	3,619	76	1,281	64	5,040	2,458	1,004	8,502
Educational programming	2,697	-	-	12,926	15,623	2,989	1,390	20,002
Membership dues	2,920	635	2,277	1,003	6,835	5,143	2,326	14,304
Equipment maintenance	3,079	717	5,680	605	10,081	6,904	653	17,638
Annual meeting	-	-	12,167	-	12,167	750	-	12,917
Public education	10,372	3	4,670	-	15,045	2,164	100	17,309
Outreach	51,275	-	-	-	51,275	-	500	51,775
Contract services	28,994	4,971	9,118	26,392	69,475	17,225	23,842	110,542
Miscellaneous expenses	2,233	467	688	48,933	52,321	6,311	2,509	61,141
United Way Worldwide dues	8,148	1,898	2,858	1,600	14,504	5,098	1,728	21,330
In-kind expenditures	-	-	-	-	-	-	3,250	3,250
Total expenses before depreciation and other expenses	355,047	20,193	130,320	144,004	649,564	237,899	140,396	1,027,859
Depreciation of fixed assets	-	-	-	-	-	-	27,784	27,784
Total expenses before agency allocations	355,047	20,193	130,320	144,004	649,564	237,899	168,180	1,055,643
Non-profit agency allocations	764,599	-	-	-	764,599	-	-	764,599
Total expenses	\$ 1,119,646	\$ 20,193	\$ 130,320	\$ 144,004	\$ 1,414,163	\$ 237,899	\$ 168,180	\$ 1,820,242

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

UNITED WAY OF THE OZARKS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024
Cash flows from operating activities	
Increase in net assets	\$ 187,878
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	27,784
Charges on cash value of life insurance, net	613
Changes in:	
Pledges receivable	97,723
Other receivables	(2,026)
Prepaid expenses	(19,327)
Accounts payable Accrued	23,055
vacation payable Donor	(2,332)
designations payable	28,195
Net cash provided by operating activities	341,563
 Cash flows from investing activities	
Purchase of investments	(921,194)
Maturity of investments	868,347
Net cash used in investing activities	(52,847)
 Increase in cash and cash equivalents	 288,716
 Cash and cash equivalents at beginning of period	 <u>1,124,418</u>
 Cash and cash equivalents at end of period	 <u><u>\$ 1,413,134</u></u>

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

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

1. Summary of significant accounting policies

This summary of significant accounting policies is presented to assist in understanding **United Way of the Ozarks, Inc.'s** (United Way) (a nonprofit organization) financial statements. The financial statements and notes are representations of United Way's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America.

Nature of activities

United Way of the Ozarks, Inc. was incorporated October 27, 1930 as an independently operated non-profit corporation. **United way of the Ozarks, Inc.** unites people, resources, and ideas to enhance lives in the Ozarks. United Way develops financial resources through an annual community-based resource development effort soliciting employee and corporate donations from businesses, health and education institutions, public service agencies, and organized labor. The development of financial resources from individuals, governmental and foundation sources, and the recruitment and mobilization of volunteers is also a core function of United Way.

United Way also has a lead role in the assessment of local community needs and develops an annual volunteer-driven investment plan to direct its resources to address critical issues. United Way is a member of the United Way Worldwide network but is locally governed. United Way is overseen by a volunteer Board of Directors that hires and employs professional staff to carry out the day-to-day operations of the organization. Election of the board occurs at the annual meeting upon nomination by a standing committee from the board.

Use of estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of accounting

Revenues and expenditures are recognized on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when both measurable and available. Expenditures under the accrual basis of accounting are recorded when the liability is incurred.

Basis of presentation

United Way's financial statements are presented in accordance with Financial Accounting Standards Board (FASB) *Codification Topic 958, "Not-For-Profit Entities."* Under FASB *Codification Topic 958*, United Way reports information regarding its financial position and activities according to two classes of net assets: with donor restriction and without donor restriction. The classification of net assets into two categories is based on the existence or absence of donor-imposed restrictions, stipulations that specify a use for a contributed asset that is more specific than broad limits resulting from United Way's basic mission and environment in which it operates.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Adoption of new accounting standards

On July 1, 2023, United Way adopted FASB Accounting Standards Codification (ASC) 326, *Measurement of Credit Losses on Financial Instruments*, which aims to provide more information about expected credit losses in financial reporting by requiring credit losses expected throughout the life of the asset to be recorded at the time of origination. There was no material impact on United Way's results of operation or financial condition upon adoption of the new standard.

Cash and cash equivalents

For purposes of the statement of cash flows, United Way considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. United Way participates in the Insured Cash Sweep (ICS) network program which allows United Way to insure its cash position. Cash deposits are sent to deposit accounts at other ICS network member institutions in the amounts under the standard FDIC insurance maximum of \$250,000.

Short-term and long-term investments

Investments are carried at market value. Certificates of deposit held for investment with original maturities greater than three months and remaining maturities less than one year are classified as short-term investments. Assets at Community Foundation of the Ozarks (CFO) reside in agency funds and participate in either a money market pool or a diversified investment pool using the market value unit method to determine the number of shares issued. Gains and losses from the diversified investment pool are allocated based on each participating fund's pro-rata share. Investment income includes dividend, interest, other investment income, and realized and unrealized gains and losses and are included in changes in net assets in the accompanying statements of activities.

Promises to give

Amounts from the annual campaign are due within one year. Often the completion of campaign collections is not until early in the following year. However, since pledges are actually due within one year, the amounts have not been discounted to present value, as any difference due to present value calculations is deemed insignificant.

United Way uses the allowance method to estimate uncollectible pledges receivable. The allowance estimate is based on prior years' collection experience.

Life insurance policy

In December 2004, United Way purchased a life insurance policy on the life of a specified donor under an agreement for which both parties mutually understand the nature and purpose of the planned gift. United Way began paying the annual premiums in fiscal year 2004. The life insurance policy is carried at its cash surrender value less any surrender charge.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Property and equipment

Property and equipment are stated at cost or at their fair market value if donated and are reported in the without donor restriction net asset class. All long-lived assets with a cost, or fair market value if donated, of \$1,000 or greater are capitalized and depreciated. Depreciation is computed on a straight-line basis over the useful life of the asset, typically 3-10 years for furniture and equipment.

Long lived asset impairment

United Way evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended June 30, 2024.

Net assets

Net assets without donor restrictions are available for use in basic operations and not subject to a donor designated restriction. The governing board has designated net assets for other specific purposes, from net assets without donor restriction.

Restrictions can be temporary, based on a specific donor purpose or passage of time. Restrictions can also be perpetual in nature. United Way did not have any net assets with perpetual restrictions as of June 30, 2024. If a restriction expires in the same fiscal year as the contribution is received, the contribution is reported in the without donor restriction class.

Contributions

Unconditional contributions are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional.

Donors are allowed to designate all or part of their contributions during annual pledge drives. Designations to other not-for-profit organizations other than United Way are excluded from revenue and expenses. These designations are included on the Statement of Financial Position within pledges receivable with related donor designations payable.

A substantial number of volunteers and corporations have donated their time and services to United Way. No amounts have been reflected in the financial statements for donated services, as no objective basis is available to measure the fair value of these services.

Service fee income

Service fee income is revenue received for services provided on a regular basis to another not for profit. This revenue is recognized over time as the services are completed.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Grants and contracts

The majority of grants received by United Way are nonreciprocal. Therefore, revenue is recognized as obligations are met.

Sponsorship revenue

Event sponsorship revenues are recognized at the point in time when the event occurs, as this is when the performance obligation to provide the agreed-upon benefits to the sponsor is satisfied.

Revenue related to advertising and promotion is recognized over the period that the advertisements are displayed, or promotional materials are distributed, as the benefit is received by the sponsor continuously over this period.

Functional expenses

United Way allocates its expenses on a functional basis among its various programs and support services and is committed to complying with United Way Worldwide cost reduction standards. Expenses that can be identified with a specific program (i.e., agency allocations) are allocated directly according to their natural expenditure classification. Various statistical bases allocate other expenses that are common to several functions.

The principal programs of United Way, as reported on the functional expense statement are as follows:

Community investment

Community investment includes all direct payments to community providers, as well as regular allocations to agencies and initiatives funded by United Way. Partner agencies normally receive monthly allocations from United Way.

Labor

Included in the labor program are all the costs associated with the labor contract maintained with the labor community. United Way recognizes that many donations are from the labor community; therefore, one of the positions at United Way provides a liaison with that group. This program area accounts for all costs associated with the maintenance of that liaison position.

Public relations

Public relations includes expenses related to United Way public relations in general.

United Way projects

United Way includes in its project function all costs associated with the grant programs conducted under its auspices. The primary focus of these projects is to facilitate and promote community problem-solving by coordinating and developing all available resources for the betterment of the community and its people.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

The principal support services of United Way, as reported on the functional expense statement are as follows:

Fundraising

Fundraising includes those costs associated with conducting the annual campaign.

Management and general

Management and general includes all costs relating to maintaining the offices and support staff of United Way.

Tax-exempt status

United Way is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986. United Way is not a private foundation. United Way is subject to federal income tax on any unrelated business taxable income.

Uncertainty in income taxes

Generally Accepted Accounting Principles prescribe a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and provides guidance on various related matters such as the position United Way has taken that the organization is exempt from income taxes.

United Way's income tax filings are subject to audit by various taxing authorities. United Way's open tax audit periods are 2021 through 2023. In evaluating United Way's tax positions, interpretations and tax planning strategies are considered. United Way believes their estimates are appropriate based on current facts and circumstances.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

2. Investments

Investments at June 30, 2024 consist of the following:

	June 30, 2024		
	Amount	Rate	Maturity
Certificates of Deposit			
Guaranty Bank	\$ 269,085	5.50%	06/06/24
Guaranty Bank	269,085	5.50%	12/06/24
Great Southern Bank	328,694	4.07%	08/21/24
Great Southern Bank	54,045	4.07%	08/21/24
Total short-term investments	920,909		
Community Foundation of the Ozarks	4,230		
Total investments	\$ 925,139		

Long-term investments are maintained in an externally managed fund held by Community Foundation of the Ozarks (CFO). Upon request, UWO can transfer amounts from the funds to UWO's operating funds. The fund held by CFO has been designated by the Board as quasi-endowment funds and are carried at market value based on information provided by CFO.

The beneficial interest in assets held at CFO have been valued, as a practical expedient, at the fair value of UWO's share of CFO's diversified investment pool as of the measurement date. CFO values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of CFO, which include private placements and other securities for which prices are not readily available, are determined by the management of CFO and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

Accordingly, the estimated fair values may differ significantly from the values that would have been used had a market existed for these investments. CFO's diversified pool investments are composed approximately of 36 percent domestic equities, 25 percent international equities, 18 percent bonds, and 21 percent alternative investments including hedge funds, real estate, and private equity funds.

3. Pledge receivables

Pledges to the United Way campaign are due within one year as the campaign is conducted on an annual basis. United Way writes remaining pledge receivables off the books after two years. Pledge receivables from the prior year campaign are presented in the undesignated net assets without donor restriction since the designation of these funds have already been determined and spent by the board. Pledge receivables from the campaign starting in the spring of 2024 (2023) are reported in the board designated net assets without donor restriction class since the cash flows from those receivables are approved and allocated to be used in the following fiscal year - 2025. The 2023 campaign ran from April 2023 through March 2024.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

4. Property and equipment

Property and equipment are stated at cost or fair market value, if donated, and are depreciated on a straight-line basis over a period as explained in Note 1. Gross value and accumulated depreciation at June 30, is as listed:

	<u>2024</u>
Furniture and equipment	\$ 102,312
Computer software	22,125
Leasehold improvements	<u>359,806</u>
Total property and equipment	484,243
Less accumulated depreciation	<u>(345,222)</u>
Total property and equipment, net	<u>\$ 139,021</u>

Depreciation expense for the year ended June 30, 2024 was \$27,784.

5. Net assets

Net assets without donor restriction can be classified as undesignated or board designated. Board designated net assets without donor restriction are those assets which have been designated by the United Way board for use in specific projects.

The board designated for partner allocation net asset balance relates primarily to the United Way campaign. Moneys raised each year are designated through the campaign to support the agencies and United Way administration during the coming year. Therefore, at each year-end, the entire campaign, less the related allowance for doubtful accounts and less designated allocations to agencies for the coming year, which were approved by the Board of Directors prior to year-end, resides in the board designated net assets classification. That designation will be lifted as receipts are collected and expenditures made during the following year.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Net assets without donor restriction and net assets with donor restriction are available for the following purposes at June 30:

<u>Net assets without donor restriction</u>	<u>2024</u>
Undesignated	\$ 1,978,394
Board designated for partner allocations	<u>821,499</u>
Total net assets without donor restriction	<u>\$ 2,799,893</u>
<u>Net assets with donor restriction</u>	<u>2024</u>
Time restriction	
Future year pledges	\$ 8,029
Purpose restriction	
Give 5 fund	113,296
Entrepreneurial fund	86,004
Veterans emergency assistance fund	4,517
Other purpose restrictions	<u>8,574</u>
Total net assets with donor restriction	<u>\$ 220,420</u>
Total net assets	<u>\$ 3,020,313</u>

6. Contributed services and materials

During the year ended June 30, 2024, there were no material contributed services meeting the requirements for recognition in the financial statements outlined in *FASB Codification Topic 958*. Often, materials are donated to United Way from various sources and then passed on to the member agencies. These amounts were booked as revenue and expense for the period. In addition, program materials in the amount of \$3,250 were recorded as revenue and expense for United Way projects for the year ended June 30, 2024.

7. Retirement plan

United Way participates in a defined contribution retirement plan covering all employees who have completed one year of service at United Way or another qualifying organization. This plan is in accordance with Internal Revenue Code Sec. 403(b). For employees meeting eligibility requirements, United Way contributes 10% of each employee's salary to a fund administered by Mutual of America. The employer contribution for the year ended June 30, 2024 was \$42,073.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

8. Concentration of credit risk

The pledge receivable balance constitutes credit risk to the extent that donors might choose not to complete their pledge payments. However, United Way has a consistent collection record, allocates a 10% holdback as budgeting for agency allocations on campaign results. The holdback is released in whole or in part at the end of the following fiscal year when allocations are spent.

9. Building and land agreements

On April 29, 1996, United Way entered into a lease agreement with the City of Springfield, Missouri for their current office facilities location.

The facilities were leased by United Way for a total value of one dollar for a 50-year period, ending on June 30, 2046. At the end of the lease term, United Way has an option to purchase the leased premises, which include the land and building structure, for the then appraised value of the land only. Management has not indicated a reasonable possibility to exercise this option as of June 30, 2024.

On March 28, 2005, a portion of the premises described previously was sub-leased to Great Southern Community Development with the same expiration date of June 30, 2046. The sub-lease was for a total value of one dollar for a 41-year period.

The sub-lease will continue until terminated early by either party or terminated pursuant to the lease between City of Springfield, Missouri and United Way dated April 29, 1996. United Way has no responsibility to repair or maintain the premises during the sub-lease term.

Because the lease agreement with the City of Springfield is for a total value of one dollar, there are no future minimum lease payments. However, United Way does assume responsibility to keep, maintain, repair, and operate the entirety of the leased premises, and all improvements and facilities placed thereon will be at its sole cost and expense.

UNITED WAY OF THE OZARKS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

10. Liquidity and availability

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

	2024
Financial assets, as of June 30:	
Cash and cash equivalents	\$ 1,413,134
Short-term investments	920,909
Pledge receivables, net	606,641
	2,940,684
Less those unavailable for general expenditure:	
Accounts payable	25,529
Accrued vacation	10,843
Donor designations payable	82,220
Funds held for board designations	821,499
Net assets with donor restriction	220,420
	1,160,511
Financial assets available to meet cash needs for general expenditure within one year	\$ 1,780,173

11. Subsequent events

In preparing these financial statements, United Way has evaluated events and transactions for potential recognition or disclosure through January 7, 2025, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

UNITED WAY OF THE OZARKS, INC.
SCHEDULE OF HISTORICAL INFORMATION FOR
LOSS ON COLLECTIONS

	<u>Spring 2022 Campaign</u>	<u>Spring 2021 Campaign</u>	<u>Spring 2020 Campaign</u>	<u>Spring 2019 Campaign</u>	<u>Spring 2018 Campaign</u>	<u>Five-year average</u>
Total campaign	\$ 1,958,175	\$ 2,195,938	\$ 2,487,475	\$ 2,510,584	\$ 2,526,071	\$ 2,335,649
Total collections on campaign	\$ 1,754,139	\$ 2,029,544	\$ 2,380,732	\$ 2,385,087	\$ 2,396,394	\$ 2,189,179
Percent of campaign collected	89.58%	92.42%	95.71%	95.00%	94.87%	93.73%
Percent loss	10.42%	7.58%	4.29%	5.00%	5.13%	6.27%
Total campaign	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*Campaigns begin in the spring of each year and run through March of the subsequent year.

See Independent Auditor's Report.