

**United Way of Central Iowa**

**Financial Statements**

**June 30, 2023 and 2022**



**United Way of Central Iowa  
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## Independent Auditor's Report

The Board of Directors  
United Way of Central Iowa  
Des Moines, Iowa

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of United Way of Central Iowa, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Central Iowa as of June 30, 2023 and 2022, 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) 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Central Iowa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2023, on our consideration of United Way of Central Iowa'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 United Way of Central Iowa'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 United Way of Central Iowa's internal control over financial reporting and compliance.



Urbandale, Iowa  
December 6, 2023

**United Way of Central Iowa  
Statements of Financial Position  
As of June 30, 2023 and 2022**

	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 3,187,150	\$ 4,764,901
Receivables		
Annual campaign	5,007,789	6,333,789
Grants	2,943,116	300,242
Other	993,589	65,903
Other assets	265,135	201,027
Investments	10,184,887	10,791,433
Land, building and equipment, net	2,171,299	2,284,285
Beneficial interest in community foundation fund	9,615,841	9,143,862
Assets restricted for donor endowment, in perpetuity		
Beneficial interest in community foundation fund	3,621,547	3,595,475
Total assets	\$ 37,990,353	\$ 37,480,917
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 759,728	\$ 872,057
Refundable advances and deferred revenue		
Polk County Early Childhood Iowa	445,943	389,258
Other	19,719	15,496
Community investments and donor choice payable	1,450,373	1,698,389
Accrued expenses	241,737	223,485
Total liabilities	2,917,500	3,198,685
Net assets		
Without donor restrictions		
Designated by the governing board		
Land, buildings, and equipment	2,171,299	2,284,285
Endowment fund	9,243,060	8,947,008
United to Thrive transition funding	343,700	992,800
Undesignated	12,642,267	12,765,826
Total net assets without donor restrictions	24,400,326	24,989,919
With donor restrictions		
Restricted due to time	3,822,515	4,873,097
Restricted due to purpose	3,228,465	823,741
Perpetual in nature	3,621,547	3,595,475
Total net assets with donor restrictions	10,672,527	9,292,313
Total net assets	35,072,853	34,282,232
Total liabilities and net assets	\$ 37,990,353	\$ 37,480,917

See notes to financial statements.

**United Way of Central Iowa**  
**Statements of Activities**  
**Years Ended June 30, 2023 and 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Grants, and Other Support</b>						
Total campaign results	\$ 18,523,422	\$ 3,766,797	\$ 22,290,219	\$ 19,095,344	\$ 4,848,866	\$ 23,944,210
Prior year's campaign results released from time restrictions	4,848,866	(4,848,866)	-	4,956,588	(4,956,588)	-
Donor designations	(4,976,058)	-	(4,976,058)	(5,080,598)	-	(5,080,598)
Undesignated campaign contributions	18,396,230	(1,082,069)	17,314,161	18,971,334	(107,722)	18,863,612
Less estimated uncollectable pledges	(572,732)	-	(572,732)	(602,992)	-	(602,992)
Net campaign contributions	17,823,498	(1,082,069)	16,741,429	18,368,342	(107,722)	18,260,620
Grants, sponsorships, and other non-campaign contributions	1,427,144	3,315,614	4,742,758	1,499,475	1,308,207	2,807,682
Investment return, net	273,920	-	273,920	(101,679)	-	(101,679)
Change in value of beneficial interest in community foundation fund, net	290,927	175,928	466,855	(1,440,960)	(804,905)	(2,245,865)
Service fees	432,334	-	432,334	426,838	-	426,838
Operation of Human Service Campus, net of expenses 2023 \$1,015,448; 2022 \$849,343	(350,912)	-	(350,912)	(237,621)	-	(237,621)
Employee Retention Credits	866,894	-	866,894	-	-	-
Other revenue	88,675	-	88,675	68,654	-	68,654
	20,852,480	2,409,473	23,261,953	18,583,049	395,580	18,978,629
Satisfaction of restrictions	1,029,259	(1,029,259)	-	1,393,976	(1,393,976)	-
 Total revenues, grants, and other support	 21,881,739	 1,380,214	 23,261,953	 19,977,025	 (998,396)	 18,978,629
<b>Expenses</b>						
Program services						
Community investments						
Early childhood success	2,617,226	-	2,617,226	2,586,796	-	2,586,796
Education success	3,579,848	-	3,579,848	3,898,576	-	3,898,576
Health and well-being	3,425,136	-	3,425,136	3,865,687	-	3,865,687
Economic opportunity	3,439,548	-	3,439,548	3,672,818	-	3,672,818
Essential needs	1,596,545	-	1,596,545	1,636,725	-	1,636,725
Other	444,120	-	444,120	201,640	-	201,640
Total community investments	15,102,423	-	15,102,423	15,862,242	-	15,862,242
Community service programs	3,701,279	-	3,701,279	3,733,517	-	3,733,517
Total program services	18,803,702	-	18,803,702	19,595,759	-	19,595,759
Supporting services	3,667,630	-	3,667,630	3,867,771	-	3,867,771
Total expenses	22,471,332	-	22,471,332	23,463,530	-	23,463,530
 Change in net assets	 (589,593)	 1,380,214	 790,621	 (3,486,505)	 (998,396)	 (4,484,901)
Net assets, beginning of year	24,989,919	9,292,313	34,282,232	28,476,424	10,290,709	38,767,133
Net assets, end of year	\$ 24,400,326	\$ 10,672,527	\$ 35,072,853	\$ 24,989,919	\$ 9,292,313	\$ 34,282,232

See notes to financial statements.

**United Way of Central Iowa  
Statement of Functional Expenses  
Year Ended June 30, 2023**

	Program Services						Supporting Services			
	Community Service Programs					Total Program Services	Fund Raising	Organizational Administration	Total Supporting Services	Total Expenses
	Community Investments	United 55+	United Way 2-1-1	Volunteer Engagement	Other Community Services					
Salaries	\$ 276,935	\$ 71,884	\$ 467,362	\$ 117,894	\$ 1,829,955	\$ 2,764,030	\$ 1,014,787	\$ 1,250,417	\$ 2,265,204	\$ 5,029,234
Employee benefits	45,919	16,452	78,481	17,629	312,656	471,137	162,906	199,626	362,532	833,669
Total salaries and employee benefits	322,854	88,336	545,843	135,523	2,142,611	3,235,167	1,177,693	1,450,043	2,627,736	5,862,903
Professional fees and contract services	249,993	127	47,195	18,852	16,860	333,027	4,144	292,719	296,863	629,890
Technology fees	164,227	5,062	54,930	11,699	96,941	332,859	43,285	96,834	140,119	472,978
Marketing	18,213	17,174	14,686	7,291	39,186	96,550	78,920	29,385	108,305	204,855
Conferences, conventions, meetings	19,885	261	2,753	-	14,494	37,393	7,952	15,212	23,164	60,557
Community events & organizational meetings	13,335	946	2,039	37,131	5,634	59,085	35,510	43,063	78,573	137,658
Community investment grants	13,758,818	-	-	-	-	13,758,818	-	-	-	13,758,818
Occupancy	-	4,453	10,339	4,935	72,138	91,865	34,819	84,466	119,285	211,150
Depreciation	2,415	-	11,643	5,249	42,813	62,120	18,676	27,213	45,889	108,009
Organization dues	1,801	350	2,574	170	33,009	37,904	7,489	6,549	14,038	51,942
Specific assistance to individuals	499,966	12,981	-	-	-	512,947	-	-	-	512,947
Supplies, postage, and miscellaneous	50,916	1,566	45,256	19,824	12,522	130,084	19,673	31,209	50,882	180,966
Subtotal	15,102,423	131,256	737,258	240,674	2,476,208	18,687,819	1,428,161	2,076,693	3,504,854	22,192,673
United Way Worldwide dues	-	-	-	-	115,883	115,883	103,873	58,903	162,776	278,659
Total functional expenses	\$ 15,102,423	\$ 131,256	\$ 737,258	\$ 240,674	\$ 2,592,091	\$ 18,803,702	\$ 1,532,034	\$ 2,135,596	\$ 3,667,630	\$ 22,471,332

See notes to financial statements.

**United Way of Central Iowa  
Statement of Functional Expenses  
Year Ended June 30, 2022**

	Program Services						Supporting Services			
	Community Service Programs					Total Program Services	Fund Raising	Organizational Administration	Total	
	Community Investments	United 55+	United Way 2-1-1	Volunteer Engagement	Other Community Services				Supporting Services	Total Expenses
Salaries	\$ 308,037	\$ 70,135	\$ 412,601	\$ 128,314	\$ 1,779,142	\$ 2,698,229	\$ 1,054,846	\$ 1,296,822	\$ 2,351,668	\$ 5,049,897
Employee benefits	41,944	13,592	71,053	24,816	278,268	429,673	186,940	189,275	376,215	805,888
Total salaries and employee benefits	349,981	83,727	483,654	153,130	2,057,410	3,127,902	1,241,786	1,486,097	2,727,883	5,855,785
Professional fees and contract services	374,077	397	116,198	1,930	54,213	546,815	27,378	277,838	305,216	852,031
Technology fees	146,959	4,608	48,589	8,758	82,639	291,553	38,711	94,698	133,409	424,962
Marketing	67,204	19,266	12,039	5,026	26,535	130,070	69,878	37,020	106,898	236,968
Conferences, conventions, meetings	16,812	43	154	805	6,309	24,123	8,281	4,584	12,865	36,988
Community events & organizational meetings	9,877	1,264	1,517	17,003	65,369	95,030	43,724	44,366	88,090	183,120
Community investment grants	14,417,060	-	-	-	-	14,417,060	-	-	-	14,417,060
Occupancy	-	3,973	20,795	3,928	71,607	100,303	35,105	74,986	110,091	210,394
Depreciation	5,169	-	15,389	5,637	46,111	72,306	22,174	32,506	54,680	126,986
Organization dues	1,801	350	2,156	660	37,332	42,299	6,894	7,766	14,660	56,959
Specific assistance to individuals	409,254	16,446	-	-	-	425,700	-	-	-	425,700
Supplies, postage, and miscellaneous	64,048	1,568	46,959	5,351	8,458	126,384	20,073	25,947	46,020	172,404
Subtotal	15,862,242	131,642	747,450	202,228	2,455,983	19,399,545	1,514,004	2,085,808	3,599,812	22,999,357
United Way Worldwide dues	-	-	-	-	196,214	196,214	200,573	67,386	267,959	464,173
Total functional expenses	\$ 15,862,242	\$ 131,642	\$ 747,450	\$ 202,228	\$ 2,652,197	\$ 19,595,759	\$ 1,714,577	\$ 2,153,194	\$ 3,867,771	\$ 23,463,530

See notes to financial statements.



**United Way of Central Iowa  
Statements of Cash Flows  
Years Ended June 30, 2023 and 2022**

	2023	2022
<b>Cash Flows - Operating Activities</b>		
Change in net assets	\$ 790,621	\$ (4,484,901)
Adjustments to reconcile change in net assets to net cash flows - operating activities		
Depreciation	384,090	389,026
Loss on disposal of assets	-	115,854
Net amortization of investment premiums (accretion of discounts)	(36,428)	(1,961)
Net unrealized loss on investments	1,100	171,935
Change in value of beneficial interest in community foundation fund	(466,855)	2,245,865
Contributions made directly to community foundation fund	(5,125)	(10,060)
Contributions restricted for endowment	(26,072)	(500)
Changes in operating assets and liabilities		
Annual campaign receivables	1,326,000	(112,332)
Grants and other receivables	(3,570,560)	702,185
Other assets	(64,108)	82,211
Accounts payable	(172,967)	(99,274)
Refundable advances and deferred revenue	60,908	(77,118)
Community investments and donor choice payable	(248,016)	238,002
Accrued expenses	18,252	(153,768)
Net cash flows - operating activities	(2,009,160)	(994,836)
<b>Cash Flows - Investing Activities</b>		
Proceeds from sales and maturities of investments	2,350,000	4,269,917
Purchases of investments	(1,708,125)	(7,401,000)
Purchases of land, building and equipment	(210,466)	(62,289)
Net cash flows - investing activities	431,409	(3,193,372)
Net change in cash and cash equivalents	(1,577,751)	(4,188,208)
<b>Cash and Cash Equivalents</b>		
Beginning of year	4,764,901	8,953,109
End of year	\$ 3,187,150	\$ 4,764,901
<b>Supplemental Schedule of Noncash Investing and Financing Activities</b>		
Purchase of property and equipment included in ending accounts payable	\$ 60,638	\$ 126,620

See notes to financial statements.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

United Way of Central Iowa (United Way) plays a unique role by bringing together people from every part of our community – donors, volunteers, advocates, nonprofit organizations, community leaders, elected officials, and people with lived experience.

UNITED to THRIVE is the organization’s strategic focus. It guides the organization as it aims to unite central Iowans to foster a thriving community – one that is equitable, engaged, and empowered.

United Way's mission statement is: "to improve lives by uniting the caring power of our community." United Way is a charitable organization, incorporated on March 21, 1918. United Way is a non-profit organization, organized and operated under IRS 501(c)(3) regulations. It is governed by a volunteer board of directors.

**Description of Program Services**

United Way has determined that for purposes of recording expenses in the statement of functional expenses there are community investments and community services programs. Community investments are programmatic investments United Way makes to further strategic work to positively impact our work. These include investments in external agencies as well as investments in United Way-led programs. Community service programs include other programmatic support.

The strategies for each of the 5 elements of a thriving community are focused on growth. Progress and impact of the interdependent strategies will be measured and tracked through multiple community metrics. All strategies and initiatives place specific emphasis on equity and reducing or eliminating barriers, so every central Iowan has the opportunity to thrive. The five elements of a thriving community are as follows:

Early Childhood Success - Our youngest central Iowans need not only access to childcare, but access to safe, reliable and affordable childcare to be healthy and ready to learn.

Education Success - Central Iowa students need not only to graduate from high school but should also have the opportunity to graduate with a plan for a successful future.

Health & Well-Being - Central Iowans need not only access to medical care, but access to quality, culturally appropriate care promoting physical and emotional well-being and improving resilience.

Economic Opportunity - Central Iowans need not only to be self-sufficient but to be financially stable and have the opportunity to build wealth for their family and future generations.

Essential Needs - Central Iowans need not only to meet their most basic needs of food and shelter, but access to quality nutritious food, and a safe place to call home.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Description of Program Services (Continued)**

Community service programs are as follows:

United 55+ – Matches the interests of individuals 55 years and older with volunteer opportunities focused on the 5 elements of a thriving community. United Way administers this program with United Way and federal funds.

United Way 2-1-1 – 2-1-1 is a centralized referral service for individuals needing human services assistance. The program is a 24/7 telephone helpline and website which connects individuals with agencies and organizations that can provide needed resources, support or direction.

Volunteer Engagement – Mobilizes volunteers in our community to foster a thriving community. Activities include linking prospective volunteers to strategic initiatives; developing training for volunteers; supporting business partners' efforts to reach corporate social responsibility goals; mobilizing volunteers to address emerging community needs; and coordinating volunteer crisis preparedness and response.

Other Community Services – Provides strategic leadership, tactical support and technology platforms to drive long-term community change and unite central Iowans. Priorities include developing comprehensive community impact plans using research- and evidence-based strategies; mobilizing and connecting a diverse set of individuals/organizations/partners to implement strategies; leading volunteer knowledge experts in alignment of investments and activities; obtaining, tracking and analyzing data on progress and results, and correcting course when warranted; engaging in statewide advocacy and public policy collaboration. The expenses related to Other Community Services are reported as Community Service Programs.

Also included in the Other Community Services is AFL-CIO labor costs. United Way partners with the South-Central Iowa Federation of Labor, AFL-CIO, to build relationships between United Way, the local labor council, and its members and arranging for participation with workforce training programs.

**Campaign Contributions**

A campaign is conducted to raise financial support for United Way activities. Pledges, generally from individuals and corporations in the Central Iowa area, are recorded in the statement of activities in the year the pledge is made.

United Way collects pledges that are specifically designated to be directed to eligible agencies during the campaign. United Way is honoring designations made to each organization that qualifies based upon policy. United Way has no discretion as to how the donor designated pledges from the campaign are distributed; therefore, United Way does not include these contributions in its net campaign contributions total. The expenses associated with processing donor designated pledges are recovered by an assessment for both fundraising and management and general fees based on actual historical costs in accordance with United Way Worldwide Standards. United Way earned service fees totaling \$234,234 in 2023 and \$233,838 in 2022 for processing donor designated pledges.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Campaign Contributions (Continued)**

The estimated uncollectible pledges are generally based on historical collection rates and current economic factors applied to gross campaign results, including donor designations. Substantially all pledges are received within one year, however, estimates could fluctuate significantly based on changing economic conditions in the future.

**Grants and Other Receivables**

The receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of history with various grantors and other entities having outstanding balances, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

**Net Assets**

Net assets and revenue, grants and other support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without Donor Restrictions* – Net assets without donor restrictions are available for use at the discretion of United Way for general operating purposes. From time to time the board may designate a portion of these net assets for a specific purpose. For example, the board has designated a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing United Way's long-term financial viability.

See Note 11 for more information on the composition of the net assets without donor restrictions.

*With Donor Restrictions* – Net assets with donor restrictions consists of assets whose use is limited by donor-imposed time and/or purpose restrictions.

United Way reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. Once the restriction has been met, the net assets are reclassified as net assets without donor restrictions.

Some net assets with donor restrictions include a stipulation that assets must be maintained in perpetuity while permitting United Way to expend a portion of the income generated by the assets in accordance with the donor-imposed provisions.

See Note 11 for more information on the composition of the net assets with donor restrictions.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

United Way considers all highly liquid cash (including savings and money market accounts) to be cash equivalents.

**Contributions Received**

Contributions, which are defined as unconditional transfers of cash or other assets including unconditional promises to give those items in the future, are measured at fair value on the date received and recognized as revenue. The imposition of restrictions on how a contribution is to be used does not delay recognition. However, the recognition of conditional gifts as revenue is delayed until the conditions are met.

United Way distinguishes between contributions received with donor restrictions and those without donor-imposed restrictions. Contributions with donor-imposed restrictions are reported as increases in net assets with donor restrictions unless United Way meets the donor-imposed restriction on all, or a portion of the amount contributed in the same reporting period in which the contribution was received. In those cases, the contributions are reported as increases in net assets without donor restrictions. Receipts of unconditional promises to give with payments due in future periods are reported as restricted unless it is clear that the donor intended the gift to be used to support activities in the current or in a past period. Gifts of long-lived assets received without donor-imposed restrictions are considered unrestricted.

A substantial number of volunteers and "loaned executives" have donated significant amounts of their time in United Way's governance oversight, community engagement, fund-raising campaigns and other activities. Since the services provided do not require specialized skills, no amounts have been recorded in the financial statements.

**Investments**

Investments include certificates of deposit and U.S. agency issues. These are carried at fair value, realized and unrealized gains and losses are reflected in the statement of activities as part of investment income. For miscellaneous certificates of deposit, given the nature of these instruments and their duration, fair value is assumed to be equivalent to cost plus interest accrued. Interest income is recorded on the accrual basis. Debt securities purchased at a discount or a premium will amortize or accrete the related discount or premium over the life of the security on a straight-line method.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Land, Building, and Equipment**

Land, building, and equipment is recorded at cost, if purchased, or at fair market value, if donated. Depreciation is computed by the straight-line method over estimated useful lives of 10-40 years for building and 3-10 years for furniture and equipment. United Way follows the practice of capitalizing expenditures for the Human Services Campus in excess of \$2,500 and expenditures for all other categories in excess of \$1,000. Costs of maintenance and repairs that do not improve or extend assets lives are charged to expense.

**Long-Lived Assets**

United Way records impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. There were no impairment losses for the years ended June 30, 2023 and 2022.

**Income Taxes**

United Way is a charitable organization and has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. United Way files a Form 990 tax return in the U.S. federal jurisdiction.

**Revenue Recognition**

United Way recognizes revenue from service fees when the services have been performed.

United Way recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

United Way follows Financial Accounting Standards Board Topic 958-605, *Revenue Recognition for Not-for-Profit Entities*, in accounting for its Employee Retention Credits (ERC). The ERC is effectively accounted for as conditional grants (see Note 12).

**Functional Expense Allocations**

The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of United Way are reported as expenses of those functional areas. A portion of general and administrative costs that benefit multiple functional areas are allocated across Community Service Programs and Supporting Services using a base that results in a ratable distribution.

Office supplies, depreciation, information technology, and equipment maintenance are allocated based on the number of full-time equivalent staff. Occupancy expenses are allocated based on square footage of office space occupied by department, and phone expenses are allocated based on the number of phone lines per department. United Way Worldwide dues are allocated based on staff's involvement and the potential benefit from United Way Worldwide's technical assistance.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Subsequent Events**

Management of United Way has evaluated subsequent events through December 6, 2023, the date the financial statements were available to be issued. See Note 12 relating to the receipt of Employee Retention Credits.

**NOTE 2 – LIQUIDITY AND AVAILABILITY**

United Way's financial assets available for general expenditure within one year of the statement of financial position date are as follows as of June 30, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 3,187,150	\$ 4,764,901
Receivables		
Annual campaign	5,007,789	6,333,789
Grants	2,943,116	300,242
Other	993,589	65,903
Investments	10,184,887	10,791,433
Beneficial interest in community foundation fund	13,237,388	12,739,337
Total	\$ 35,553,919	\$ 34,995,605
Less		
Amounts unavailable for general expenditures within one year, due to		
Restricted by donors with purpose restrictions	\$ 3,036,031	\$ 594,336
Subject to donor restricted endowment	3,621,547	3,595,475
Amounts unavailable without board approval		
Quasi-endowment fund, primarily for long-term investing	8,813,318	8,429,796
Total	\$ 15,470,896	\$ 12,619,607
Total financial assets available for general expenditures within one year	\$ 20,083,023	\$ 22,375,998

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 2 – LIQUIDITY AND AVAILABILITY (CONTINUED)**

To ensure United Way meets commitments, obligations, and other contingencies, and to strengthen the organization as it shifts its strategic focus to UNITED to THRIVE, and to provide flexibility for new organizational priorities within one year from the statement of financial position date, the organization has \$20,083,023 and \$22,375,998 of financial assets available as of June 30, 2023 and 2022. Of this balance United Way has a total cash and investment balance of \$13,372,037 and \$15,556,334 as of June 30, 2023 and 2022, and United Way’s investment policy has an objective to maintain the necessary liquidity to match cash needs. Therefore, a portion of the invested assets are maintained in liquid short-term securities which can be converted to cash with minimum risk of losing principal or interest. The receivables primarily show those amounts expected to be collected from United Way's annual campaign and grants. Additionally, the \$9,243,060 and \$8,947,008 as of June 30, 2023 and 2022 in the beneficial interest in the Community Foundation are assets from a board designated quasi-endowment. United Way expects to make a withdrawal from the board designated quasi-endowment in fiscal 2024.

In addition, United Way uses a fund's guideline balance as a snapshot of current liquidity for the upcoming year. The fund's guideline is based on United Way's undesignated net asset balance and its target range is three to six months of budgeted spending including annual program funding and the costs of operating and maintaining United Way. See Note 11 for more information on the fund's guideline and United Way's short-term liquidity.

**NOTE 3 – INVESTMENTS**

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable, either directly or indirectly through corroboration, for substantially the full term of the financial instrument.
- Level 3: Inputs are unobservable inputs based on United Way’s own assumptions used to measure assets and liabilities at fair value.

United Way’s investments consist of the following as of June 30, 2023 and 2022:

	2023	2022
Certificates of deposit (level 2)	\$ 2,205,000	\$ 1,329,898
U.S. treasury notes (level 2)	7,979,887	9,461,535
	\$ 10,184,887	\$ 10,791,433



**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 3 – INVESTMENTS (CONTINUED)**

United Way invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balance. For liquidity purposes, all of United Way’s investment holdings are due to mature within a three-year period.

**NOTE 4 – LAND, BUILDING, AND EQUIPMENT**

Land, building, and equipment consists of the following as of June 30, 2023 and 2022:

	2023	2022
Land	\$ 98,275	\$ 98,275
Human Service Campus building	8,112,705	7,871,667
Furniture and equipment	1,318,465	1,397,964
Projects in progress	138,098	126,620
Total	9,667,543	9,494,526
Less accumulated depreciation, including		
Human Service Campus building		
2023 \$6,402,262; 2022 \$6,127,028	7,496,244	7,210,241
Land, building, and equipment, net	\$ 2,171,299	\$ 2,284,285

**NOTE 5 – BENEFICIAL INTEREST IN COMMUNITY FOUNDATION FUND**

United Way records a beneficial interest in the United Way of Central Iowa Endowment Fund, United Way of Central Iowa Endow Iowa Fund, and United Way of Central Iowa Endow Iowa Maureen Tiffany Education Fund (collectively referred to as the Fund) held by the Community Foundation of Greater Des Moines.

The Fund was originally formed by the merger of the United Way Foundation of Central Iowa and the Greater Des Moines Community Foundation. Subsequent to the merger, contributions and bequests have been added to the Fund's balance. Under the governing agreement, United Way can recommend distributions of income from the principal of the Fund, but no more frequently than quarterly. These distributions are limited to 5% of the prior December 31<sup>st</sup> balance. In cases where the Community Foundation of Greater Des Moines reviews activities and determines a charity is not fulfilling the functions and purposes specified by United Way, the Community Foundation of Greater Des Moines Board has the ability to determine that compliance with the designations is impractical or impossible and thereby may decide not to honor such recommendations. The agreement does not allow the Community Foundation of Greater Des Moines the ability to redirect the designation to a beneficiary of its choice.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 5 – BENEFICIAL INTEREST IN COMMUNITY FOUNDATION FUND (CONTINUED)**

The Community Foundation of Greater Des Moines invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balance held at the Foundation.

The fair value of the beneficial interest is measured using level 3 inputs and is based on the value of the assets underlying the beneficial interest. All items of income and expense are recorded on the statement of activities in change in value of beneficial interest in community foundation fund. The activity of the beneficial interest for the years ended June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 12,739,337	\$ 14,974,642
Contributions	31,197	10,560
Investment returns, net	1,160,674	(1,398,428)
Appropriations	<u>(693,819)</u>	<u>(847,437)</u>
Balance, end of year	<u>\$ 13,237,389</u>	<u>\$ 12,739,337</u>

**NOTE 6 – HUMAN SERVICE CAMPUS OPERATIONS**

Summarized operating results for the years ended June 30, 2023 and 2022 of the Human Service Campus are:

	<u>2023</u>	<u>2022</u>
Revenue		
Occupancy cost reimbursements – third parties	\$ 484,178	\$ 538,861
Occupancy cost reimbursements – United Way	179,912	188,211
Loss on disposal of assets	-	(115,854)
Interest and miscellaneous income	446	504
	<u>\$ 664,536</u>	<u>\$ 611,722</u>

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 6 – HUMAN SERVICE CAMPUS OPERATIONS (CONTINUED)**

	2023	2022
Expenses		
Salaries and employee benefits	\$ 54,669	\$ 52,435
Security and insurance	104,365	57,113
Janitorial	146,587	135,718
Utilities	158,456	141,765
Supplies	138	900
Repairs and maintenance	197,106	141,572
Communications and other expenses	77,946	57,801
Depreciation	276,081	262,039
Miscellaneous	100	-
	1,015,448	849,343
Net expenses over revenue	\$ (350,912)	\$ (237,621)

United Way has a property management agreement with a company that collects occupancy payments and makes expenditures relating to the Human Service Campus in exchange for a monthly fee. United Way may have future obligations for Human Service Campus repair or replacement expenditures and monitors its net assets without donor restrictions to make sure the balances are sufficient to meet these needs.

United Way owns the Human Service Campus building and shares occupancy of the building with other qualified charitable organizations. Occupancy costs to be reimbursed to United Way under occupancy agreements as of June 30, 2023 are as follows:

Year Ending June 30,		
2024	\$	375,998
2025		305,796
2026		138,572
	\$	820,366

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 7 – EMPLOYEE BENEFIT PLANS**

**Employee Benefits Program Administration**

United Way sponsors two employee benefit programs in which some other agencies participate. The programs sponsored are a pension plan and a 401(k) plan.

**Pension Plan (Defined Benefit Retirement Plan)**

On September 22, 2021, the United Way board of directors (as plan sponsor) voted to terminate the plan effective December 31, 2021, in accordance with a standard termination under PBGC rules. The Plan provided an opportunity for terminated participants to elect a lump sum payout opportunity and provided participants with information packets to assist in the decision-making process. Also, as part of the plan termination, participants not currently receiving benefit payments were offered a payment window to elect a lump sum payment or a monthly benefit, paid through the annuity contract. The plan applied to the Internal Revenue Service (IRS) for termination and received approval on April 28, 2023. In June 2023, following IRS approval, all steps necessary to complete plan liquidation were identified and commenced, with complete liquidation anticipated by December 31, 2023.

United Way contributes to the United Way of Central Iowa Retirement Plan which is a multiemployer defined benefit pension plan. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the company chooses to stop participating in some of its multiemployer plans, it may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

United Way's participation in this plan for the fiscal years ended June 30, 2023 and 2022 is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employer Identification Number (EIN) and the plan number. Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status available in 2022 and 2021 is for the plan's year-end at December 31, 2022 and 2021, respectively. The zone status is based on information that the company received from the plan. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 7 – EMPLOYEE BENEFIT PLANS (CONTINUED)**

**Pension Plan (Defined Benefit Retirement Plan) (Continued)**

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status (calendar year)		FIP/RP Status Pending/ Implemented	Contributions of the United Way (fiscal year)			Surcharge Imposed
		2022	2021		2023	2022	2021	
United Way of Central Iowa Retirement Plan	42-0680425 4-35825	Green	Green	N/A	\$ -	\$ -	\$ 83,191	No

United Way provided more than 5% of the total contributions for the United Way of Central Iowa Retirement Plan in fiscal year 2021.

**401(k) Plan (Defined Contribution Retirement Plan)**

The plan is a defined contribution plan established on July 1, 2001. It generally covers all participants of United Way, plus other participating agencies. Participating employees agree to contribute a percentage of their effective compensation through a salary reduction, generally, if they have attained the age of 21 and have completed one full year of employment in which 1,000 hours are worked. There is no minimum or maximum deferral percentage.

United Way matches up to 4% of each eligible participant's salary contribution after the first year of employment. Total expense relating to the employer's contribution to the 401(k) plan was \$135,881 and \$155,157 for the years ended June 30, 2023 and 2022, respectively.

**NOTE 8 – POLK COUNTY EARLY CHILDHOOD IOWA**

United Way acts as a fiscal agent for the Polk County Early Childhood Iowa (PCECI), an Early Childhood Iowa area created by Polk County pursuant to the provisions of Chapter 256I.5 of the Code of Iowa. Financial transactions of this entity are included in these financial statements as an agency fund because of their fiduciary relationship with PCECI.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 8 – POLK COUNTY EARLY CHILDHOOD IOWA (CONTINUED)**

The following financial data is for the years ended June 30, 2023 and 2022:

	2023			2022		
	Early Childhood Program	School Ready Children Services	Total	Early Childhood Program	School Ready Children Services	Total
<b>Additions</b>						
State of Iowa grants						
Early Childhood	\$ 922,321	\$ -	\$ 922,321	\$ 900,418	\$ -	\$ 900,418
Quality improvement	-	131,873	131,873	-	131,629	131,629
Allocation for administration	48,543	147,860	196,403	47,390	143,299	190,689
Other program services	-	2,700,780	2,700,780	-	2,591,060	2,591,060
Total State of Iowa grants	970,864	2,980,513	3,951,377	947,808	2,865,988	3,813,796
Interest	2,622	8,462	11,084	1,714	5,500	7,214
Total additions	973,486	2,988,975	3,962,461	949,522	2,871,488	3,821,010
<b>Deductions</b>						
Program services						
Early Childhood	881,749	-	881,749	928,437	-	928,437
Quality improvement	-	102,218	102,218	-	128,146	128,146
Other program services	-	2,738,820	2,738,820	-	2,655,991	2,655,991
Total program services	881,749	2,841,038	3,722,787	928,437	2,784,137	3,712,574
Administration	46,422	136,567	182,989	43,822	132,155	175,977
Total deductions	928,171	2,977,605	3,905,776	972,259	2,916,292	3,888,551

**NOTE 9 – COMMITMENTS**

In July 2023, the Board of Directors approved agency partner program investments in the amount of \$12,119,306 for the fiscal year July 1, 2023 through June 30, 2024 as part of its approval of the 2023/2024 operating budget.

**NOTE 10 – ENDOWMENT FUNDS**

United Way’s donor restricted endowments consist of two funds, one established for the purpose of administering community investments and the other for the purpose of Early Childhood Initiatives. In addition, the United Way Board of Directors has established a quasi-endowment for the purpose of providing general operational support for the organization. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 10 – ENDOWMENT FUNDS (CONTINUED)**

United Way's donor restricted endowments consist of two funds, one established for the purpose of The Board of Directors of United Way has interpreted Iowa 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. As a result of this interpretation, United Way retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the 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 retained in perpetuity is subject to appropriation by United Way in a manner consistent with the standard of prudence prescribed by UPMIFA. Further, the governing board has internally designated a portion of the without donor restricted net assets as a board-designated endowment.

In accordance with UPMIFA, United Way considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) duration and preservation of the various funds, (2) the purpose of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and appreciation of investments, (6) other resources to United Way, and (7) United Way's policy pertaining to the investment and distribution of endowment funds.

United Way has adopted an investment management policy for endowment assets. The investment management policy sets forth that the responsibility for investment management of endowed funds has been delegated, by contract, solely to the Community Foundation of Greater Des Moines. The Community Foundation of Greater Des Moines and its Board of Directors have adopted a Statement of Investment Policy providing direction for the investment of endowed funds. The underlying investment policy of the endowment funds is with the objective of achieving long-term asset appreciation. The policy establishes an achievable return objective through diversification of asset classes. The diversified asset allocation is targeted, and it places an emphasis on fixed income, equity, and alternative investments to achieve its long-term return objectives within prudent risk parameters. The current performance expectations of the endowment fund's assets are a long-term, total rate of return on assets that is equal to or in excess of a 5% spending rate, anticipated inflation, investment management fee, administrative costs, and a growth factor as established from time to time.

United Way has adopted a distribution and spending policy to ensure adherence to donor restrictions and to allow use of a portion of the endowment as a funding source toward making and administering community investments (agency program, community impact, and community services spending) where appropriate and not in violation of donor restrictions. The policy protects United Way from year-to-year fluctuations in market returns and investment results by providing a predictable amount in the funds made available from endowment. United Way generally limits total appropriations to 5% of the previous calendar year-end value for expenditure from any endowment fund unless a larger amount is required to address donor stipulations. The level of appropriation with the current performance expectations for investments is generally consistent with United Way's objective to maintain the original value of the endowment gifts in perpetuity.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 10 – ENDOWMENT FUNDS (CONTINUED)**

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). United Way has interpreted UPMIFA to permit spending from underwater endowments. Distributions from the endowment will be handled on a case-by-case basis when an endowment is underwater. A review of the donor's intent as to both the purpose and accumulation of funds, investment return expectations, organizational needs and resources, and other factors will determine if it is acceptable to continue distributions from the endowment or if it is advisable to suspend distributions for a period of time. No deficiencies were reported as of June 30, 2023 and 2022.

Endowment net asset composition by type of fund as of June 30, 2023 and 2022 are as follows:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Board designated for quasi-endowment	\$ 9,243,060	\$ -	\$ 9,243,060
Donor-restricted endowment funds	-	3,994,328	3,994,328
Total funds	\$ 9,243,060	\$ 3,994,328	\$ 13,237,388
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Board designated for quasi-endowment	\$ 8,947,008	\$ -	\$ 8,947,008
Donor-restricted endowment funds	-	3,792,328	3,792,328
Total funds	\$ 8,947,008	\$ 3,792,328	\$ 12,739,336



**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 10 – ENDOWMENT FUNDS (CONTINUED)**

Changes in endowment net assets for the years ended June 30, 2023 and 2022 are as follows:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 8,947,008	\$ 3,792,328	\$ 12,739,336
Contributions	5,125	26,072	31,197
Investment return, net	808,138	352,535	1,160,673
Appropriations	(517,211)	(176,607)	(693,818)
Total endowment funds	<u>\$ 9,243,060</u>	<u>\$ 3,994,328</u>	<u>\$ 13,237,388</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 10,377,908	\$ 4,596,734	\$ 14,974,642
Contributions	10,060	500	10,560
Investment return, net	(970,960)	(427,469)	(1,398,429)
Appropriations	(470,000)	(377,437)	(847,437)
Total endowment funds	<u>\$ 8,947,008</u>	<u>\$ 3,792,328</u>	<u>\$ 12,739,336</u>

**NOTE 11 – NET ASSETS**

**Net Assets Without Donor Restrictions**

United Way's net assets without donor restrictions are comprised of Board designated and undesignated amounts for the following purposes as of June 30, 2023 and 2022.

*Board Designated Quasi-Endowment* – United Way’s Board has designated funds to be set aside to establish and maintain a quasi-endowment for the purposes of securing United Way’s long-term financial viability and continuing to meet the needs of United Way. The endowment funds totaled \$9,243,060 and \$8,947,008 as of June 30, 2023 and 2022, respectively.

*Board Designated UNITED to THRIVE* – In June 2021, United Way’s Board designated funds to be set aside for the purpose of supporting United Way and its partners as it transitions its strategic focus from the Goals for 2020 to UNITED to THRIVE. The funds totaled \$343,700 and \$992,800 as of June 30, 2023 and 2022, respectively.

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 11 – NET ASSETS (CONTINUED)**

*Undesignated* – The Board has established a guideline to reserve the undesignated net assets to provide financial stability and minimize financial disruption due to unexpected contingencies. The amount undesignated is a targeted dollar range representing three to six months' budgeted program and operating expenses for the next fiscal year. This targeted range was \$5,761,000 to \$11,522,000 as of June 30, 2023, with the fund's guideline balance being \$12,698,113. United Way ended the current fiscal year in excess of its funds guideline which will provide strength and financial flexibility to the organization as we move forward.

**Net Assets With Donor Restrictions**

Net assets with donor restrictions as of June 30, 2023 and 2022 are as follows:

	2023	2022
Time restricted		
Annual campaign receivable - undesignated	\$ 3,766,797	\$ 4,848,866
Charitable remainder unitrusts	55,718	24,231
Total time restricted	3,822,515	4,873,097
Purpose restricted		
Endowment earnings supporting community investments	372,782	196,853
Polk County Early Childhood	2,600,000	250,000
OpportUNITY	13,600	164,021
5-2-1-0	42,545	31,267
Safe and Thriving Youth	66,882	-
LE Sponsors	58,500	28,000
Oral Health Coalition	17,144	32,007
Others restricted for specific program/project	57,012	121,593
Total perpetual in nature	3,228,465	823,741
Perpetual in nature		
Supporting community investments	3,289,785	3,289,784
Early childhood initiative	331,762	305,691
Total purpose restricted	3,621,547	3,595,475
Total net assets with donor restriction	\$ 10,672,527	\$ 9,292,313

**United Way of Central Iowa  
Notes to Financial Statements**

**NOTE 12 – CONTINGENCIES**

In April, 2023, United Way applied for Employee Retention Credits (ERC) in the amount of \$866,894 for certain quarters during the years ended June 30, 2022 and June 30, 2021. To qualify for the credit, United Way must meet certain criteria based on either significant decline in gross receipt or either fully or partially suspended operations by a government order. The credit is based on eligible wages and certain employee benefits paid by United Way. The credit claim is reflected in other receivables on the June 30, 2023 statement of financial position and was received subsequent to year end in July 2023.