

**UNITED WAY OF BRAZOS VALLEY, INC.**

**INDEPENDENT AUDITOR'S REPORT**

**AND**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
United Way of the Brazos Valley, Inc.

### **Opinion**

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of the Brazos Valley, Inc. as of June 30, 2024, and the changes in net assets 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. 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 Brazos Valley, Inc. 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.

### **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 the Brazos Valley, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that,

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Lyn Kuciamba, CPA | James Larkin, CPA | AJ Taylor, CPA | R. Logan Kendrick, CPA, ABV

individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of the Brazos Valley, 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 Brazos Valley, 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.

#### **Report on Summarized Comparative Information**

We have previously audited the United Way of the Brazos Valley, Inc. 2023 financial statements and our report dated January 2, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Thompson, Derrig & Craig, P.C.*

**THOMPSON, DERRIG, & CRAIG, P.C.**

February 14, 2025

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

	2024	2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 444,445	\$ 543,761
Certificate of deposit	25,840	25,000
Restricted cash	86,922	36,069
Pledges receivable, net	335,939	356,215
Grants and other receivables	58,469	204,511
Total current assets	951,615	1,165,556
Fixed assets:		
Furniture and equipment	66,526	66,526
Leasehold improvements	17,975	17,975
Less accumulated depreciation	(67,597)	(60,365)
Total fixed assets	16,904	24,136
Other assets:		
Operating lease right-of-use asset	204,171	261,474
Total other assets	204,171	261,474
Total assets	\$ 1,172,690	\$ 1,451,166
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 8,198	\$ 17,571
Accrued expenses	12,439	45,187
Allocations (CC) payable	379,167	379,167
Donor designations (SECC) payable	252,350	211,536
Operating lease liabilities, current portion	62,824	61,042
Total current liabilities	714,978	714,503
Long-term liabilities:		
Operating lease liabilities, net of current portion	153,811	216,636
Total long-term liabilities	153,811	216,636
Total liabilities	868,789	931,139
<b>NET ASSETS</b>		
Without donor restrictions	169,373	334,421
With donor restrictions	134,528	185,606
Total net assets	303,901	520,027
TOTAL LIABILITIES AND NET ASSETS	\$ 1,172,690	\$ 1,451,166

See independent auditor's report and notes to financial statements.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
<b>SUPPORT AND REVENUE</b>				
Gross campaign results	\$ 430,582	\$ 556,466	\$ 987,048	\$ 944,738
Less - donor designations (SECC)	-	(404,183)	(404,183)	(332,022)
Less - provision for uncollectible pledges	(11,862)	(17,755)	(29,617)	(14,890)
Net campaign contributions	418,720	134,528	553,248	597,826
Information and referral (211) revenue	368,556	-	368,556	356,963
Employee Retention Credit	-	-	-	140,751
Other grants and contributions	2,963	-	2,963	6,049
Special events	190,190	-	190,190	212,969
Other income	5,339	-	5,339	1,172
Net assets released from restriction	185,606	(185,606)	-	-
Total support and revenue	<u>1,171,374</u>	<u>(51,078)</u>	<u>1,120,296</u>	<u>1,315,730</u>
<b>EXPENSES</b>				
Program services:				
Gross distributions to agencies	807,460	-	807,460	694,998
Less - net donor designations to agencies	(404,183)	-	(404,183)	(332,022)
Net allocations to agency programs	403,277	-	403,277	362,976
Direct services	671,057	-	671,057	602,816
Total program services	1,074,334	-	1,074,334	965,792
General and administrative	86,973	-	86,973	124,886
Fundraising	175,115	-	175,115	216,192
Total expenses	<u>1,336,422</u>	<u>-</u>	<u>1,336,422</u>	<u>1,306,870</u>
Change in net assets	(165,048)	(51,078)	(216,126)	8,860
Beginning net assets	334,421	185,606	520,027	511,167
Ending net assets	<u>\$ 169,373</u>	<u>\$ 134,528</u>	<u>\$ 303,901</u>	<u>\$ 520,027</u>

See independent auditor's report and notes to financial statements.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023**

	Program				Total	
	Community Impact	211 Information & Referral	G&A	Fundraising	2024	2023
Allocations to agencies, net	\$ 403,277	\$ -	\$ -	\$ -	\$ 403,277	\$ 362,976
Salaries and wages	131,346	218,305	23,290	77,303	450,244	458,397
Payroll taxes	11,220	19,871	1,655	6,743	39,489	39,574
Employee benefits	18,289	34,533	320	10,371	63,513	64,347
Rent	31,262	26,937	5,926	11,637	75,762	94,723
Utilities, insurance and taxes	3,452	4,812	5,323	1,328	14,915	13,943
Office expenses	2,051	2,141	5,664	1,549	11,405	14,396
Professional fees	17,978	19,485	12,583	-	50,046	45,800
Professional development	548	1,294	400	175	2,417	1,257
Contract services	-	2,349	9,909	397	12,655	46,277
Information technology	5,946	2,180	3,366	15,052	26,544	19,764
Advertising	-	-	-	-	-	10,888
Depreciation	2,984	2,571	566	1,111	7,232	7,864
Development & special events	4,732	-	-	46,385	51,117	68,017
Travel and mileage	1,413	912	1,426	809	4,560	4,425
Dues and subscriptions	16,446	585	16,545	-	33,576	29,552
Other programs	87,262	-	-	-	87,262	22,750
Miscellaneous expenses	153	-	-	2,255	2,408	1,920
Total expenses	\$ 738,359	\$ 335,975	\$ 86,973	\$ 175,115	\$ 1,336,422	\$ 1,306,870

See independent auditor's report and notes to financial statements.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ (216,126)	\$ 8,860
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	7,232	7,864
Change in operating assets and payables:		
Grants and other receivables	146,042	(177,657)
Pledges receivable, net	20,276	54,638
Operating lease right-of-use asset	57,303	(261,474)
Operating lease liabilities	(61,043)	277,678
Accounts payable	(9,373)	14,535
Accrued expenses	(32,748)	27,196
Allocations and donor designations payable	40,814	(39,801)
Net cash provided (used) by operating activities	(47,623)	(88,161)
Change in cash	(47,623)	(88,161)
Beginning cash	604,830	692,991
Ending cash	\$ 557,207	\$ 604,830

See independent auditor's report and notes to financial statements.



**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 1 – Overview of Organization**

The United Way of the Brazos Valley, Inc. (UWBV or the Organization) is a not-for-profit corporation chartered in the State of Texas. The mission of UWBV is to bring the community together to find solutions that change lives by advancing education, financial stability and health. UWBV raises funds for its programs and services through pledges from individuals in the community, employee workplace contributions, corporate gifts, and foundation and government grants. The Organization is run by a volunteer board of directors made up of concerned local citizens, and has no stockholders or members.

UWBV conducts the State Employees Charitable Campaign (SECC), a program initiated by the State of Texas in 1994, in the Brazos Valley area. UWBV also facilitates the 2-1-1 Texas program servicing the Brazos Valley. 2-1-1 Texas is a free information and referral call center, connecting residents to community resources.

**Note 2 – Summary of Significant Accounting Policies**

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the Organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

*Net Assets Without Donor Restrictions* - Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

*Net Assets With Donor Restrictions* - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed 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 Organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial

See independent auditor's report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 2 – Summary of Significant Accounting Policies (continued)**

statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. Management believes the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Contributions and Campaigns

Contributions, including unconditional promises to give, are recognized when received. Grant contracts for cost reimbursements are recognized when the associated activities are performed and qualified expenses are incurred. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If the donor restrictions are met in the same period as received, the amount is reported as an increase in net assets without donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

The annual community campaign (CC) is conducted throughout the fiscal year to raise support for payment of allocations to participating agencies in the subsequent fiscal year. Pledges are considered unconditional promises. These pledges, less an allowance for uncollectible accounts, are recorded as net assets with or without donor restrictions depending on the existence and nature of any donor restrictions.

The annual SECC is managed by UWBV and allows donors to choose to designate their contribution to be distributed to a specific organization. Those contributions are referred to as donor designations. The collection of these contributions and distributions to donor specified agencies are agency transactions in which United Way is acting as an intermediary. These transactions are included in the total campaign amounts raised on the statement of activities and then deducted as amounts raised on behalf of others before arriving at net campaign results.

See independent auditor's report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 2 – Summary of Significant Accounting Policies (continued)**

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

Restricted Cash

Restricted cash represents cash collected from SECC pledges but not yet paid in accordance with donor designations. The following table provides a reconciliation of cash, cash equivalents, and restricted cash, as reported on the statement of financial position, that equals the total cash as shown on the statement of cash flows.

	2024	2023
Cash and cash equivalents	\$ 444,445	\$ 543,761
Certificate of deposit	25,840	25,000
Restricted cash	86,922	36,069
Total cash	\$ 557,207	\$ 604,830

Promises to Give

Unconditional promises to give are recognized as revenues 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 only when the conditions on which they depend are substantially met and the promises become unconditional.

Fixed Assets and Depreciation

Purchased property and equipment is carried at cost. Donated property and equipment is stated at management’s estimate of fair value at the date of receipt. Depreciation of property and equipment is computed over the estimated useful lives using the straight-line method. The cost of routine or annual maintenance and repairs is charged to expense as incurred, and significant improvements greater than \$1,500 are capitalized.

Donor Designations

Designations result from contributions by donors that are specifically directed to individual organizations and agencies. When received, these funds are distributed to the intended organizations, net of the administrative fee of approximately 10%.

Pledges Receivable

Pledges receivable at June 30, 2024 and 2023 consist of pledges to UWBV as part of the CC, and pledges designated by donors for other charitable agencies or organizations as part of the SECC. The provision for uncollectible pledges is estimated based on UWBV's historical bad debt experience and on management's judgment. All pledges outstanding are expected to be received within one year.

See independent auditor’s report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 2 – Summary of Significant Accounting Policies (continued)**

Cash Equivalents

UWBV considers all demand deposits at financial institutions and all highly liquid debt instruments with original maturities of three months or less to be cash and cash equivalents.

Leases

UWBV is a lessee in an operating lease for its office space. The Organization determines if an arrangement is a lease, or contains a lease, at the inception of a contract and when the terms of an existing contract are changed. Operating leases are included in operating lease right-of-use assets (ROU) as well as current and long-term lease liabilities.

The Organization recognizes an ROU asset and a lease liability at the commencement date of the lease. The ROU asset and lease liability is initially and subsequently recognized based on the present value of lease payments over the lease term. All fixed and variable non-lease components are expensed as incurred. The discount rate used to measure the ROU asset and lease liability represents the risk-free rate using a period comparable with that of the individual lease term on the commencement date of the lease. The lease cost for lease payments is recognized on a straight-line basis over the lease term.

Short-term leases with a term of 12 or fewer months are not reflected on the balance sheet, and costs are expensed as incurred. For the years ended June 30, 2024 and 2023, the Organization incurred short-term lease costs of \$16,718 and \$16,204, respectively.

Allocations

Allocations result from contributions by donors that are not specifically directed to individual organizations and agencies. These funds are allocated for distribution to various member agencies and programs based on need and other criteria deemed appropriate by the Board of Directors. Total allocations are accrued at the conclusion of each annual fundraising campaign when approved by the Board of Directors.

Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages, benefits, and payroll taxes are allocated based on estimates of time spent by key personnel on the related activities.
- All other expenses that cannot be directly identified are allocated using management's estimated percentage of the portions related to either program or supporting activity.

See independent auditor's report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 2 – Summary of Significant Accounting Policies (continued)**

The bases on which costs are allocated are evaluated periodically when new space or programs are added. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Reclassifications

The comparative totals for the gross campaign results and provision for uncollectible pledges in the statement of activities for the year ended June 30, 2023 were decreased by \$59,376 each, in order to provide for consistency in the presentation of the financial statements for the year ended June 30, 2024. There was no net impact to the previously issued financial statements for fiscal year 2023 as a result of this update.

Additional distributions for the previous year SECC campaign of \$44,277 were paid during fiscal year 2024. These payments are included in net allocations to agencies on the statement of activities and statement of functional expenses for the year ended June 30, 2024.

Tax Status

UWBV is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been made in the accompanying financial statements. In addition, UWBV qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

**Note 3 – Liquidity and Availability**

The following reflects the Organization’s financial assets as of June 30, 2024, reduced by amounts not available for general use within one year of the balance sheet date due to contractual or donor-imposed restrictions or internal designations:

Cash and cash equivalents	\$ 444,445
Certificate of deposit	25,840
Restricted cash	86,922
Pledges receivable, net	335,939
Grants and other receivables	58,469
Total financial assets	\$ 951,615
Less restrictions/designations:	
Campaign commitments (CC)	\$ (379,167)
Campaign commitments (SECC)	(252,350)
Funds with donor restrictions	(134,528)
Financial assets available for general expenditures within one year	\$ 185,570

See independent auditor’s report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 3 – Liquidity and Availability (continued)**

As part of the Organization’s liquidity management plan, UWBV structures its financial assets to be available as general expenditures, liabilities and other obligations become due. Additionally, the Board of Directors established an operating reserve which may be drawn upon, as necessary, to meet unexpected liquidity needs.

**Note 4 – Retirement Plan**

UWBV offers Simple IRA accounts for all participating full-time and part-time employees. Full-time employees with at least one year of service are eligible for the employer match up to 3%. Employer contributions to employee retirement accounts totaled \$9,314 and \$13,976 for the years ended June 30, 2024 and 2023, respectively.

**Note 5 – Pledges Receivable**

Pledges receivable are shown net of an allowance for uncollectible pledges, as shown below:

As of June 30, 2023

	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Community campaign (CC)	\$ 228,795	\$ 48,047	\$ 180,748
SECC	201,686	26,219	175,467
	<u>\$ 430,481</u>	<u>\$ 74,266</u>	<u>\$ 356,215</u>

As of June 30, 2024

	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Community campaign (CC)	\$ 230,420	\$ 59,909	\$ 170,511
SECC	209,402	43,974	165,428
	<u>\$ 439,822</u>	<u>\$ 103,883</u>	<u>\$ 335,939</u>

**Note 6 – Leases**

The Organization has an operating lease for its office space which has a remaining lease term of three years as of June 30, 2024. The lease also includes an option to extend an additional five years, however, the Organization is not certain that the option will be exercised, and therefore, the extension period was not included in the initial measurement of the lease.

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2024 and 2023:

See independent auditor’s report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 6 – Leases (continued)**

	2024	2023
Weighted average remaining lease term:	3 years	4 years
Weighted average discount rate:	2.88%	2.88%

For the years ended June 30, 2024 and 2023, operating lease costs totaled \$64,101 and \$84,045, respectively, which are included as rent expense in the statement of functional expenses.

The following summarizes cash flow information related to the lease for the years ended June 30, 2024 and 2023:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 68,238	\$ 68,238

The maturities of lease liabilities as of June 30, 2024 were as follows:

2025	\$ 68,238
2026	68,238
2027	68,238
2028	22,746
	227,460
Less imputed interest	(10,825)
	\$ 216,635

**Note 7 – Concentrations**

At various times in the course of a year, the amount of cash on deposits with banks exceeds the FDIC insured limit of \$250,000. The Organization has not experienced any losses in connection with these accounts and believes it is not exposed to any significant credit risk on cash.

For the year ended June 30, 2024, approximately 93% of SECC campaign pledges were from the Texas A&M University System.

See independent auditor's report.

**UNITED WAY OF THE BRAZOS VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**Note 8 – Restrictions on Net Assets**

Net assets with donor restrictions as of June 30, 2024 and 2023, in the amount of \$134,528 and \$185,606, respectively, consist of both purpose-restricted and time-restricted contributions. The

purpose-restricted contributions consist of funding received for future programs. The time-restricted contributions consist of amounts raised from SECC and retained by UWBV as both a recipient organization and to cover administrative costs associated with administering the campaign as well as pledges raised for the CC in 2024 related to the subsequent fiscal year.

	2024	2023
Subject to expenditures for specified purpose:		
Books and a Blanket program	\$ 6,104	\$ 5,951
Ride2Health program	-	15,000
	6,104	20,951
Subject to expenditures after a specified time:		
SECC - UWBV proceeds and administrative fees	63,522	86,238
Community campaign (CC)	64,902	78,417
	128,424	164,655
Total net assets with donor restrictions	\$ 134,528	\$ 185,606

**Note 9 – Employee Retention Credit**

Under the provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, eligible employers may apply for a refundable tax credit against the employer’s share of social security taxes, subject to certain criteria. In 2022, UWBV applied for the Employee Retention Credit (ERC), and on July 7, 2023, the Organization received payment for the total amount of the refund of \$140,751.

For the year ended June 30, 2023, UWBV recognized the total ERC amount of \$140,751 as income on the statement of activities as well as grants and other receivables on the statement of financial position as of June 30, 2023. Additionally, \$35,563 in related expenses were recognized as contract services on the statement of functional expenses for the year ended June 30, 2023 as well as accrued expenses on the statement of financial position as of June 30, 2023.

**Note 10 – Subsequent Events**

Effective January 2026, UWBV will transfer administration of the SECC campaign United Way of Texas, at which point UWBV will no longer obtain pledges or receive payments related to the State campaign.

These financial statements considered subsequent events through February 14, 2025, the date the financial statements were available to be issued.

See independent auditor’s report.