

# **JACKSON COUNTY UNITED WAY, INC.**

**FINANCIAL STATEMENTS**

**AND**

**SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2024 AND 2023**

*CPAs / ADVISORS*



# JACKSON COUNTY UNITED WAY, INC.

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Blue & Co., LLC / 813 West Second Street / Seymour, IN 47274  
main 812.522.8416 website blueandco.com

## REPORT OF INDEPENDENT AUDITORS

Board of Directors  
Jackson County United Way, Inc.  
Seymour, Indiana

### Opinion

We have audited the accompanying financial statements of Jackson County United Way, Inc. (the "Organization"), a nonprofit organization, which comprise the statements of financial position as of December 31, 2024 and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the Organization'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 are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 Schedules of Allocations to Agencies 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.

*Blue & Co., LLC*

Seymour, Indiana

September 3, 2025

# JACKSON COUNTY UNITED WAY, INC.

## STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2024 AND 2023

### ASSETS

	2024	2023
Cash	\$ 904,369	\$ 982,245
Certificates of deposit	47,198	90,088
Board designated investments	24,510	23,363
Pledges receivable, net	186,660	196,266
Prepaid expenses	6,382	6,123
Right-of-use assets under operating lease	22,568	-0-
	<u>\$ 1,191,687</u>	<u>\$ 1,298,085</u>

### LIABILITIES AND NET ASSETS

#### Liabilities

Accounts payable	\$ 8,538	\$ 13,675
Allocations payable	148,000	150,000
Designations payable	5,941	6,825
Operating lease liability	23,048	-0-
Total liabilities	185,527	170,500

#### Net assets

Without donor restrictions		
Board designated reserve	158,750	158,750
Undesignated	351,772	388,924
	<u>510,522</u>	<u>547,674</u>

#### With donor restrictions

Restricted due to time restrictions	291,117	292,860
Restricted for specified purpose	204,521	287,051
	<u>495,638</u>	<u>579,911</u>

Total net assets	<u>1,006,160</u>	<u>1,127,585</u>
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	<u>\$ 1,191,687</u>	<u>\$ 1,298,085</u>
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See accompanying notes to financial statements.

# JACKSON COUNTY UNITED WAY, INC.

## STATEMENTS OF ACTIVITIES YEAR ENDED DECEMBER 31, 2024 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>Support and revenues</b>				
Gross campaign results	\$ 206,739	\$ 319,682	\$ 526,421	\$ 561,349
Less donor designations	(4,329)	(3,565)	(7,894)	(4,588)
Less provision for uncollectible accounts	20,198	(25,000)	(4,802)	9,841
Net campaign results	222,608	291,117	513,725	566,602
Grants and contributions	-0-	55,351	55,351	283,765
Investment return	14,921	-0-	14,921	6,656
Fundraising events	22,827	-0-	22,827	-0-
Miscellaneous	13,615	-0-	13,615	13,755
Net assets released from restrictions	430,741	(430,741)	-0-	-0-
Total support and revenues	704,712	(84,273)	620,439	870,778
<b>Expenses</b>				
Program	502,294	-0-	502,294	555,900
Management and general	123,953	-0-	123,953	100,118
Fundraising	115,617	-0-	115,617	100,581
Total expenses	741,864	-0-	741,864	756,599
Change in net assets	(37,152)	(84,273)	(121,425)	114,179
<b>Net assets, beginning of year</b>	547,674	579,911	1,127,585	1,013,406
<b>Net assets, end of year</b>	<u>\$ 510,522</u>	<u>\$ 495,638</u>	<u>\$ 1,006,160</u>	<u>\$ 1,127,585</u>

*See accompanying notes to financial statements.*

**JACKSON COUNTY UNITED WAY, INC.**STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023

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	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenues</b>			
Gross campaign results	\$ 240,528	\$ 320,821	\$ 561,349
Less donor designations	(1,627)	(2,961)	(4,588)
Less provision for uncollectible accounts	34,841	(25,000)	9,841
Net campaign results	273,742	292,860	566,602
Grants and contributions	80,428	203,337	283,765
Investment return	6,656	-0-	6,656
Miscellaneous	13,755	-0-	13,755
Net assets released from restrictions	379,608	(379,608)	-0-
Total support and revenues	754,189	116,589	870,778
<b>Expenses</b>			
Program	555,900	-0-	555,900
Management and general	100,118	-0-	100,118
Fundraising	100,581	-0-	100,581
Total expenses	756,599	-0-	756,599
Change in net assets	(2,410)	116,589	114,179
<b>Net assets, beginning of year</b>	550,084	463,322	1,013,406
<b>Net assets, end of year</b>	<u>\$ 547,674</u>	<u>\$ 579,911</u>	<u>\$ 1,127,585</u>

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*See accompanying notes to financial statements.*



# JACKSON COUNTY UNITED WAY, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2024 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023)

	2024				2023
	Agency & Community Services	Management and General	Fundraising	Total	Total
Agency allocations	\$ 297,042	\$ -0-	\$ -0-	\$ 297,042	\$ 300,000
Grants	-0-	-0-	-0-	-0-	26,000
Salaries	127,254	35,844	80,175	243,273	229,874
Payroll taxes	9,200	2,591	5,796	17,587	16,756
Employee benefits	11,341	3,194	7,146	21,681	21,077
Professional services	-0-	45,600	-0-	45,600	40,155
Bank charges	-0-	1,577	-0-	1,577	1,037
Rent	346	16,712	497	17,555	15,420
Insurance	-0-	4,673	-0-	4,673	4,742
Meetings, conferences and training	3,603	749	548	4,900	11,310
Association fees	3,363	2,401	3,844	9,608	7,835
Dues and subscriptions	11,426	1,429	180	13,035	17,577
Campaign supplies and printing	3,769	-0-	7,806	11,575	9,550
Special events & marketing	27,875	-0-	7,393	35,268	35,888
Repairs and maintenance	4,740	350	-0-	5,090	8,305
Utilities	9	5,430	11	5,450	5,798
Supplies	2,008	3,053	2,026	7,087	3,195
Postage	201	169	179	549	1,228
Transportation	117	-0-	16	133	829
Miscellaneous	-0-	181	-0-	181	20
Depreciation	-0-	-0-	-0-	-0-	3
	<u>\$ 502,294</u>	<u>\$ 123,953</u>	<u>\$ 115,617</u>	<u>\$ 741,864</u>	<u>\$ 756,599</u>

See accompanying notes to financial statements.

# JACKSON COUNTY UNITED WAY, INC.

## STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2023

	Program					
	Agency & Community Services	Covering Kids & Families	Total Program	Management and General	Fundraising	Total
Agency allocations	\$ 300,000	\$ -0-	\$ 300,000	\$ -0-	\$ -0-	\$ 300,000
Grants	26,000	-0-	26,000	-0-	-0-	26,000
Salaries	64,956	62,866	127,822	27,826	74,226	229,874
Payroll taxes	4,735	4,583	9,318	2,028	5,410	16,756
Employee benefits	5,956	5,764	11,720	2,551	6,806	21,077
Professional services	-0-	-0-	-0-	40,155	-0-	40,155
Bank charges	-0-	-0-	-0-	940	97	1,037
Rent	-0-	3,341	3,341	12,079	-0-	15,420
Insurance	-0-	937	937	3,805	-0-	4,742
Meetings, conferences and training	6,331	251	6,582	789	3,939	11,310
Association fees	3,926	-0-	3,926	1,111	2,798	7,835
Dues and subscriptions	16,138	59	16,197	921	459	17,577
Campaign supplies and printing	4,269	-0-	4,269	-0-	5,281	9,550
Special events & marketing	35,688	43	35,731	-0-	157	35,888
Repairs and maintenance	4,877	606	5,483	2,822	-0-	8,305
Utilities	-0-	2,129	2,129	3,669	-0-	5,798
Supplies	1,320	149	1,469	1,190	536	3,195
Postage	144	129	273	229	726	1,228
Transportation	606	97	703	-0-	126	829
Miscellaneous	-0-	-0-	-0-	-0-	20	20
Depreciation	-0-	-0-	-0-	3	-0-	3
	<u>\$ 474,946</u>	<u>\$ 80,954</u>	<u>\$ 555,900</u>	<u>\$ 100,118</u>	<u>\$ 100,581</u>	<u>\$ 756,599</u>

See accompanying notes to financial statements.

**JACKSON COUNTY UNITED WAY, INC.**STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Operating activities</b>		
Change in net assets	\$ (121,425)	\$ 114,179
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	-0-	3
Provision for uncollectible accounts	4,802	(9,841)
Interest earned on certificates of deposit	(378)	(621)
Investment return on board designated investments	(2,335)	(1,015)
Changes in assets and liabilities:		
Pledges receivable	4,804	(501)
Grant receivable	-0-	16,112
Prepaid expenses	(259)	56
Right-of-use asset under operating lease	936	-0-
Accounts payable	(5,137)	(21,123)
Allocations payable	(2,000)	(99,638)
Designations payable	(884)	(4,949)
Operating lease liability	(456)	-0-
Net cash flows from operating activities	(122,332)	(7,338)
<b>Investing activities</b>		
Purchase of certificates of deposit	(35,560)	(78,405)
Maturities of certificates of deposit	78,828	78,246
Distributions received from board designated investments	1,188	1,177
Net cash flows from investing activities	44,456	1,018
Net change in cash	(77,876)	(6,320)
<b>Cash, beginning of year</b>	982,245	988,565
<b>Cash, end of year</b>	\$ 904,369	\$ 982,245
<b>Supplemental disclosure of cash flow information</b>		
Right-of-use asset obtained in exchange for operating lease liability	\$ 23,504	\$ -0-

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*See accompanying notes to financial statements.*

# JACKSON COUNTY UNITED WAY, INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

#### Nature of Operations

Jackson County United Way, Inc. (the "Organization") was formed in 1962 to continually assess the needs of the people of Jackson County and improve their quality of life by raising and allocating funds for human care and developmental programs. Substantially all support is received from various individuals and businesses in Jackson County and surrounding areas.

Covering Kids and Families is a program ran by the Organization and funded by Covering Kids & Families of Indiana, Inc. to assist community members in obtaining health insurance coverage at a price the member can afford as well as help the member understand how to use health insurance and how to keep health coverage. This program ended in October 2023.

#### Management's Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

#### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis, and have been prepared with a focus on the entity as a whole. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board of directors (Board) or designated by the Board for specific use.

Net assets with donor restrictions: Net assets subject to donor stipulations for specific purposes or time restrictions.

#### Certificates of Deposit

Certificates of deposit consist of multiple certificates from various financial institutions with varying maturity dates from through May 2026 and interest rates ranging from 0.50 percent to 5.10 percent. Certificates of deposit are valued at the original cost plus accrued interest.

# **JACKSON COUNTY UNITED WAY, INC.**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023**

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### Board Designated Investments

The Board has designated certain amounts for future expenditures and investment in operations and placed it in a custodial fund with the Community Foundation of Jackson County, Inc.

These investments are measured at fair value in the Statements of Financial Position. Investment income or loss, including realized and unrealized gains and losses on investments, interest, and dividends, is included in investment return in the Statements of Activities. The funds are invested in accordance with the Community Foundation of Jackson County, Inc.'s investment policy.

### Pledges Receivable

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Pledges and contributions received and committed for subsequent years from the annual fund drive held late in the calendar year are recorded as net assets with donor restrictions due to time restriction. These amounts are reflected as net assets released from restrictions during the program year for which the funds were designated.

The Organization uses the allowance method to determine the uncollectible unconditional pledges receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Receivables are considered uncollectible if (1) over two years outstanding or (2) management has reasons to believe specified amounts will not be collected, usually based on confirmation from donors.

### Office Furniture and Equipment

Office furniture and equipment, including expenditures that substantially increase the useful lives of existing assets, are recorded at cost except for donations, which are recorded at fair value at the date of the donation. Costs of ordinary maintenance and repairs are expensed as incurred.

Office furniture and equipment of the Organization are being depreciated over their estimated useful lives ranging from three to five years using the straight-line method.

### Support, Revenues and Expense Recognition

Contributions are recognized as support in the period the promise is made.

Support and revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

All other revenues are recorded when earned.

# **JACKSON COUNTY UNITED WAY, INC.**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023**

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### Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statements of Activities and Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report expenses that are attributed to more than one program or supporting function. Those expenses include salaries, payroll taxes, employee benefits, insurance, occupancy and supplies. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated on the basis of time, effort and usage. While the methods of allocation are considered appropriate, other methods could produce different results.

### Income Taxes

The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal taxes on related income pursuant to Section 501(a) of the Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

As such, the Organization is generally exempt from income taxes. However, the Organization is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only.

### Subsequent Events

The Organization has evaluated events or transactions occurring subsequent to the Statement of Financial Position date for recognition and disclosure in the accompanying financial statements through the date the financial statements were available to be issued, which is September 3, 2025.

## JACKSON COUNTY UNITED WAY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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#### 2. BOARD DESIGNATED INVESTMENTS

The Organization has transferred assets to the Community Foundation of Jackson County, Inc. and retained a beneficial interest in those assets. The Organization is to receive a grant annually based upon the Community Foundation of Jackson County, Inc.'s spending policy. The Organization has granted variance power to the community foundation to carry out the purpose of the designated endowment created by the initial transfer.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

- *Board designated investments:* Valued at fair value as reported by the Community Foundation of Jackson County (the "Foundation"), which represents the Organization's pro-rata interest in the Foundation's investment pool, substantially all of which are valued on a mark-to-market basis.

The fair value of these assets is measured on a recurring basis using significant unobservable inputs (Level 3) and included in the Statements of Financial Position at \$24,510 and \$23,363 at December 31, 2024 and 2023, respectively.

## JACKSON COUNTY UNITED WAY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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The progression of this endowment fund is as follows:

	2024	2023
Beginning balance	\$ 23,363	\$ 23,525
Investment return, net	2,749	1,430
Grant payments	(1,188)	(1,177)
Administrative fees	<u>(414)</u>	<u>(415)</u>
	<u>\$ 24,510</u>	<u>\$ 23,363</u>

### 3. PLEDGES RECEIVABLE, NET

An analysis of pledges receivable at December 31, 2024 and 2023 are as follows:

	2024	2023
2022 Campaign due during the year ended December 31, 2023	\$ -0-	\$ 24,654
2023 Campaign due during the year ended December 31, 2024	31,043	201,612
2024 Campaign due during the year ended December 31, 2025	<u>185,617</u>	<u>-0-</u>
Totals	216,660	226,266
Less allowance for uncollectible pledges	<u>30,000</u>	<u>30,000</u>
	<u>\$ 186,660</u>	<u>\$ 196,266</u>

The campaign conducted during the fall of 2023 with pledges due in 2024 is referred to as the 2023 campaign, and the campaign conducted during the fall of 2024 with pledges due in 2025 is referred to as the 2024 campaign.



## JACKSON COUNTY UNITED WAY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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#### 4. OFFICE FURNITURE AND EQUIPMENT

A summary of office furniture and equipment at December 31, 2024 and 2023 is as follows:

	2024	2023
Office furniture and equipment	\$ 26,838	\$ 26,838
Less accumulated depreciation	<u>26,838</u>	<u>26,838</u>
	<u>\$ -0-</u>	<u>\$ -0-</u>

#### 5. LEASES

The Organization recognizes right-of-use (ROU) assets and lease liabilities for leases with terms greater than 12 months or leases that contain a purchase option that is reasonably certain to be exercised. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

During 2024, the Organization entered into a new operating lease for office space with required fixed payments. The Organization's lease agreement does not contain any material restrictive covenants. The lease has a remaining term of 2 years.

The Organization's ROU assets and lease liabilities are recognized on the lease commencement date in an amount that represents the present value of future lease payments over the lease term. The Organization utilizes a risk-free interest rate commensurate to the lease term as the discount rate for its lease. The operating lease ROU asset also includes any lease payments made and excludes lease incentives, if any.

Short-term leases (leases with an initial term of 12 months or less or leases that are cancelable by the lessee and lessor without significant penalties) are not capitalized but are expensed on a straight-line basis over the lease term. These leases generally have terms of 30 days or less and may be cancelled at any time.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. Furthermore, the Organization assesses whether it is reasonably certain to exercise options to extend or terminate a lease considering all relevant factors that create economic incentive to exercise such options, including asset, contract, market, and entity-based factors. These evaluations may require significant judgment.

## JACKSON COUNTY UNITED WAY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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The components of the Organization's lease cost (included in rent on the Statements of Functional Expenses) for the years ended December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Operating lease cost	\$ 980	\$ -0-
Short-term lease cost	<u>16,575</u>	<u>15,420</u>
Total lease expense	<u>\$ 17,555</u>	<u>\$ 15,420</u>

The Organization's right-of-use assets and lease liabilities and other disclosures as of and for the year ended December 31, 2024 are as follows:

Right-of-use assets	
Operating lease asset	\$ 22,568
Lease liabilities	
Operating lease liabilities	\$ 23,048
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating lease	\$ 500
Right-of-use assets obtained in exchange for new operating lease liabilities:	\$ 23,504
Weighted average remaining lease term (years)	1.96
Weighted average discount rate	4.25%

## JACKSON COUNTY UNITED WAY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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Future payments of operating lease liabilities are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 12,000
2026	<u>12,000</u>
Total lease payments	24,000
Less interest	<u>(952)</u>
Present value of lease liabilities	<u>\$ 23,048</u>

#### **6. ALLOCATIONS PAYABLE**

Allocations payable as of December 31, 2024 and 2023 were \$148,000 and \$150,000, respectively, and are expected to be paid within one year. These amounts represent allocations approved by the Board and payable to member agencies to support their operations and programming.

#### **7. DESIGNATIONS PAYABLE**

Designations payable as of December 31, 2024 and 2023 were \$5,941 and \$6,825, respectively. These amounts consist of donor designations payable to multiple not-for-profit agencies both within and outside of Jackson County to assist them in their operations and cause. The total amount recorded as payable as of December 31, 2024 is expected to be paid in 2025 and 2026.

## JACKSON COUNTY UNITED WAY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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#### 8. NET ASSETS WITH DONOR RESTRICTIONS AND NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions at December 31, 2024 and 2023 are available to the following purposes:

	2024	2023
Restricted to future time period	\$ 291,117	\$ 292,860
Restricted for the following purposes:		
Rock 'n Ready	41,065	32,099
Day of Caring	19,353	15,761
Financial Stability	72,132	61,436
Community Impact and Capacity Building	52,081	163,964
Other	19,890	13,791
	<u>204,521</u>	<u>287,051</u>
	<u>\$ 495,638</u>	<u>\$ 579,911</u>

Net assets released from restrictions consist of the following during the years ended December 31, 2024 and 2023:

	2024	2023
Released from time restrictions	\$ 292,860	\$ 273,163
Restricted from the following purposes:		
Rock 'n Ready	10,951	14,586
Day of Caring	5,975	4,684
Financial Stability	444	19,112
Community Impact and Capacity Building	112,820	37,160
Resource Roundup	-0-	17,500
Other	7,691	13,403
	<u>\$ 430,741</u>	<u>\$ 379,608</u>

# JACKSON COUNTY UNITED WAY, INC.

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### 9. BOARD DESIGNATED RESERVE

The Organization maintains a reserve in an amount equal to at least three months average operating costs (defined as the Organization's funding and partner distributions as determined by the forthcoming year's budget) with a desired target balance of six months average operating costs.

### 10. LIQUIDITY AND AVAILABILITY

As a fundraising entity, the Organization receives significant contributions each year from donors, which are available to meet annual cash needs for general expenditures. Allocations to agencies are paid monthly over a 12-month period. During that same 12-month period, additional contributions are received from donors.

Financial assets available for general expenditures within one year of the Statement of Financial Position date comprise the following:

	2024	2023
Cash	\$ 904,369	\$ 982,245
Certificates of deposit maturing within one year	35,738	78,828
Pledges receivable, net	<u>186,660</u>	<u>196,266</u>
	1,126,767	1,257,339
Less restricted for specified purpose	<u>(204,521)</u>	<u>(287,051)</u>
Total financial assets available	<u>\$ 922,246</u>	<u>\$ 970,288</u>

The pledges receivable are subject to implied time restrictions but are expected to be collected within one year. None of the financial assets above are subject to donor or other contractual restrictions that make them unavailable.

The Organization maintains a reserve which represents 3-months of average operating costs. At December 31, 2024 and 2023, the reserve balance included in the financial assets above is \$158,750.

# **JACKSON COUNTY UNITED WAY, INC.**

## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023**

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### **11. CONCENTRATIONS**

The Organization is exposed to concentrations of credit risk for pledge amounts due to the vast majority of donors residing in Jackson County, Indiana. Although the Organization is directly affected by the well-being of the economy of Jackson County, management does not believe significant credit risk exists at December 31, 2024.

The Organization maintains its cash and certificates of deposit in bank deposit accounts insured by the Federal Deposit Insurance Corporation at its current coverage levels. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and certificates of deposit.

## SUPPLEMENTARY INFORMATION

## JACKSON COUNTY UNITED WAY, INC.

### SCHEDULES OF ALLOCATIONS TO AGENCIES YEARS ENDED DECEMBER 31, 2024 AND 2023

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Agency	2024	2023
Anchor House	\$ 80,000	\$ 62,500
Big Brothers Big Sisters	-0-	12,000
Boys & Girls Club	40,000	40,000
Brownstown Senior Citizens	2,500	3,500
Child Care Network	55,000	45,000
Crothersville Senior Citizens	1,042	3,500
Freetown Senior Citizens	1,500	2,000
Girls, Inc.	70,000	62,000
Human Services	-0-	27,500
Jackson County ARC	7,000	5,000
Meals on Wheels	1,500	1,500
Medora Senior Citizens	1,500	2,000
Salvation Army	5,000	5,000
Seymour Senior Citizens	-0-	2,500
Turning Point	32,000	26,000
	<u>\$ 297,042</u>	<u>\$ 300,000</u>