

**UNITED WAYS OF TENNESSEE
(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

YEARS ENDING DECEMBER 31, 2024 AND 2023

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS:	
Statements of Financial Position	5
Statements of Activities	6
Statements of Functional Expenses	7 - 8
Statements of Cash Flows	9
Notes to Financial Statements	10 - 13



INDEPENDENT AUDITORS' REPORT

The Board of Directors
United Ways of Tennessee

Opinion

We have audited the accompanying financial statements of United Ways of Tennessee (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 United Ways of Tennessee 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 Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of United Ways of Tennessee 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 Ways of Tennessee's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 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 Ways of Tennessee'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 Ways of Tennessee'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 audits.

Dempsey Vantrease & Follis PLLC

Murfreesboro, Tennessee

September 2, 2025

UNITED WAYS OF TENNESSEE
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2024 and 2023

	2024	2023
ASSETS:		
Cash and cash equivalents	\$ 349,374	\$ 444,802
Accounts receivable	32,955	22,969
Grants receivable	75,113	50,000
Prepaid expenses	21,551	43,583
Property and equipment, net	544	1,032
TOTAL ASSETS	\$ 479,537	\$ 562,386
LIABILITIES:		
Accounts payable	\$ 32,484	\$ 4,542
Accrued vacation	2,624	2,501
TOTAL LIABILITIES	35,108	7,043
NET ASSETS:		
Without donor restrictions	271,907	276,639
With donor restrictions	172,522	278,704
TOTAL NET ASSETS	444,429	555,343
TOTAL LIABILITIES AND NET ASSETS	\$ 479,537	\$ 562,386

See notes to the financial statements.

UNITED WAYS OF TENNESSEE
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUES:						
Membership dues	\$ 88,574	\$ -	\$ 88,574	\$ 91,299	\$ -	\$ 91,299
Other membership revenue	74,550	-	74,550	23,200	-	23,200
Contributions	43,861	31,683	75,544	4,797	32,500	37,297
Interest income	1,330	-	1,330	49	-	49
Grants	-	68,606	68,606	-	297,500	297,500
Other revenue	-	-	-	5,362	-	5,362
Release from restrictions	206,471	(206,471)	-	308,759	(308,759)	-
TOTAL SUPPORT AND REVENUES	414,786	(106,182)	308,604	433,466	21,241	454,707
EXPENSES:						
Program Services	364,060	-	364,060	433,644	-	433,644
Management and general	55,458	-	55,458	60,983	-	60,983
TOTAL EXPENSES	419,518	-	419,518	494,627	-	494,627
CHANGE IN NET ASSETS	(4,732)	(106,182)	(110,914)	(61,161)	21,241	(39,920)
NET ASSETS, BEGINNING OF YEAR	276,639	278,704	555,343	337,800	257,463	595,263
NET ASSETS, END OF YEAR	\$ 271,907	\$ 172,522	\$ 444,429	\$ 276,639	\$ 278,704	\$ 555,343

See notes to the financial statements.

UNITED WAYS OF TENNESSEE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services				Total Program Services	Management and General	Total
	After School Programs	Member Services	Health Programs	Senior Citizen Programs			
Salaries and wages	\$ 60,262	\$ 28,872	\$ 35,240	\$ 12,097	\$ 136,471	\$ 7,887	\$ 144,358
Payroll taxes and employee benefits	10,628	5,105	3,052	2,754	21,539	3,987	25,526
Grant - Spectrum Digital Education	-	-	-	2,000	2,000	-	2,000
Grant - Volunteer State	-	-	10,500	-	10,500	-	10,500
Conference and meetings	-	-	-	-	-	4,063	4,063
Consulting fees	-	26,954	-	-	26,954	632	27,586
Depreciation	-	-	-	-	-	488	488
Dues and subscriptions	-	36,000	-	-	36,000	8,787	44,787
Economic indicator(ALICE) reports for members	-	45,932	-	-	45,932	-	45,932
Insurance	-	-	-	-	-	1,225	1,225
Miscellaneous	-	20	-	-	20	6,220	6,240
Promotions	30	-	8,000	-	8,030	10,823	18,853
Printing and postage	-	-	212	-	212	17	229
Professional services	16,006	9,600	13,230	-	38,836	8,234	47,070
Supplies	-	-	-	-	-	1,724	1,724
Travel and training	7,394	22,003	2,404	-	31,801	270	32,071
Payroll processing	2,562	1,228	777	648	5,215	925	6,140
Awards and recognition	-	-	-	-	-	176	176
Telephone	550	-	-	-	550	-	550
TOTAL EXPENSES	\$ 97,432	\$ 175,714	\$ 73,415	\$ 17,499	\$ 364,060	\$ 55,458	\$ 419,518

See notes to the financial statements.

UNITED WAYS OF TENNESSEE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services					Management and General	Total
	After School Programs	Member Services	Health Programs	Senior Citizen Programs	Total Program Services		
Salaries and wages	\$ 56,696	\$ 39,641	\$ -	\$ 19,785	\$ 116,122	\$ 16,013	\$ 132,135
Payroll taxes and employee benefits	10,918	7,634	-	3,810	22,362	3,084	25,446
Grant - Senior Trust Digital Literacy	-	-	-	121,270	121,270	-	121,270
Grant - Mott	32,000	-	-	-	32,000	-	32,000
Grant - Dollar General	3,000	-	-	-	3,000	-	3,000
Grant - National Youth Leadership Council	1,000	-	-	-	1,000	-	1,000
Conference and meetings	6,595	-	-	-	6,595	1,760	8,355
Consulting fees	-	22,100	-	-	22,100	-	22,100
Depreciation	-	-	-	-	-	330	330
Dues and subscriptions	-	36,412	-	-	36,412	-	36,412
Economic indicator(ALICE) reports for members	-	22,900	-	-	22,900	-	22,900
Insurance	-	-	-	-	-	1,169	1,169
Miscellaneous	-	-	-	-	-	119	119
Promotions	-	-	-	-	-	4,746	4,746
Printing and postage	-	-	-	-	-	305	305
Professional services	18,556	9,600	-	4,435	32,591	31,040	63,631
Supplies	393	236	-	236	865	707	1,572
Travel and training	10,655	-	-	-	10,655	57	10,712
Payroll processing	2,574	1,800	-	898	5,272	727	5,999
Awards and recognition	500	-	-	-	500	165	665
Telephone	-	-	-	-	-	761	761
TOTAL EXPENSES	\$ 142,887	\$ 140,323	\$ -	\$ 150,434	\$ 433,644	\$ 60,983	\$ 494,627

See notes to the financial statements.

UNITED WAYS OF TENNESSEE
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	2024	1905
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (110,914)	\$ (39,920)
Reconciliation of the change in net assets to net cash provided (used) by operating activities:		
Depreciation	488	330
Changes in assets and liabilities:		
(Increase) decrease in prepaid expenses	22,033	(36,711)
Increase in accounts receivable	(9,986)	(22,769)
(Increase) decrease in grants receivable	(25,113)	136,625
Increase (decrease) in accounts payable	27,942	2,113
Increase (decrease) in accrued expenses	122	(2,915)
	(95,428)	36,753
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(852)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(95,428)	35,901
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	444,802	408,901
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 349,374	\$ 444,802

See notes to the financial statements.

**UNITED WAYS OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The United Ways of Tennessee (“the Organization”) is a statewide organization providing member support services to 31 United Ways throughout the state. The Organization provides training and technical assistance to local United Way organizations. The Organization also is actively involved in programs to improve education in Tennessee.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits with banks with maturities of three months or less.

The Organization maintains its operating bank accounts primarily at one financial institution. The Federal Deposit Insurance Corporation (“FDIC”) insures accounts at this financial institution. The Organization maintains its cash in bank deposit accounts which, at times, may exceed FDIC limits. The Organization has not experienced any losses in such accounts.

Accounts Receivable

Accounts receivable are stated at the amount that management expects to collect on outstanding balances. The carrying amount of accounts receivable is reduced by a valuation allowance, if necessary, which reflects the Organization’s best estimate of the amounts that will not be collected. The allowance is estimated based on the Organization’s historical loss experience, and existing economic conditions. Once management determines a balance cannot be collected, it is written off through a charge to the allowance for doubtful accounts.

Net Assets

Financial statement presentation follows the recommendations of Financial Accounting Standards Board (“FASB”) 2016-14. Under those provisions, net assets and revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that can be filled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

**UNITED WAYS OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions and revenues received are recorded as net assets with or without donor restrictions, and are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as increases in net assets with donor restrictions. When a restriction is fulfilled (that is, when a stipulated time restriction ends or the purpose of restriction is accomplished), net assets with donor restrictions are reclassified and reported in the statements of activities as net assets without donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the support is reported as net assets without donor restrictions.

In general, grants received by the Organization are accounted for as unconditional contributions and are recognized in the period the grant is awarded.

Membership dues are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing membership privileges on an annual basis. The fees are calculated based on prior year gross campaign amounts received. Membership dues are recognized as performance obligations are satisfied, which is ratably over the calendar year.

Property and Equipment, net

Property and equipment are recorded at cost at the date of purchase or fair value at the date of gift to the Organization. The Organization's policy is to capitalize purchases with a cost of \$500 or more and an estimated useful life of five years. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

Income Taxes

The Organization is a not-for-profit organization that is exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and classification by the Internal Revenue Service as an other than private foundation. Accordingly, no provision for federal income taxes is included in the accompanying financial statements.

A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. 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 tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

As of December 31, 2024 and 2023, the Organization has accrued no interest and no penalties related to uncertain tax positions. It is the Organization's policy to recognize interest and/or penalties related to income tax matters in income tax expense.

The Organization files a U.S. Federal information tax return. The Organization is currently open to audit under the statute of limitations by the Internal Revenue Service for the years ended December 31, 2024, 2023, and 2022.

**UNITED WAYS OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. The following program and supporting service classifications are included in the accompanying financial statements:

Program services – includes member services to provide support, training, and technical assistance to member United Way organizations. The Organization also provides support to the local community by improving education, financial stability, digital literacy, and health in the State of Tennessee.

Use of 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.

NOTE B – ACCOUNTS RECEIVABLE

The changes in accounts receivable during the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Accounts receivable, beginning of year	\$ 22,969	\$ 200
Program revenues	238,668	157,158
Collections	<u>(228,682)</u>	<u>(134,389)</u>
Accounts receivable, end of year	<u>\$ 32,955</u>	<u>\$ 22,969</u>

As of December 31, 2024 and 2023, management did not believe an allowance for uncollectible accounts was necessary.

NOTE C – PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Computer Equipment	\$ 4,198	\$ 4,198
Accumulated Depreciation	<u>(3,654)</u>	<u>(3,166)</u>
Property and equipment, net	<u>\$ 544</u>	<u>\$ 1,032</u>

During the years ending December 2024 and 2023, depreciation expense totaled \$488 and \$330, respectively.

**UNITED WAYS OF TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE D – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions contain donor-imposed restrictions that direct the use of the donation as specified and are satisfied either by the passage of time (time restrictions) or by fulfilling the donor-imposed purpose (purpose restriction). Net assets with donor restrictions that exist at December 31, 2024 are \$172,522 and are primarily related to the Tennessee Afterschool Network program.

Net assets released from restrictions amounted to \$206,471 and \$308,759 for the years ended December 31, 2024 and 2023, respectively.

NOTE E – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has \$457,441 in financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash and cash equivalents of \$349,374, accounts receivable of \$32,955, and grants receivable of \$75,113. \$172,522 of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures and related liabilities become due.

NOTE F – RETIREMENT PLAN

The Organization maintains a 401K plan (the “Plan”) for its sole employee. The Plan allows for a 4% employer matching contribution which was \$5,018 in 2024 and \$5,868 in 2023.

NOTE G – SUBSEQUENT EVENTS

As of the date of the financial statements, no events or transactions have transpired that would have a material effect on the balances reported herein as of December 31, 2024 or that would significantly impact the Organization’s ongoing operations. The Organization has evaluated subsequent events through September 2, 2025 which is the date the financial statements were available to be issued.