

**UNITED WAY OF GREATER MILWAUKEE AND  
WAUKESHA COUNTY, INC.  
Milwaukee, Wisconsin**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2025 AND 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2025 AND 2024**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>4</b>
<b>STATEMENTS OF ACTIVITIES</b>	<b>6</b>
<b>STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>8</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>10</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>11</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER     FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS     BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN     ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>34</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH     MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON THE     INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE     UNIFORM GUIDANCE AND WISCONSIN STATE SINGLE AUDIT     GUIDELINES</b>	<b>36</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS</b>	<b>39</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE     AWARDS</b>	<b>40</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>41</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
United Way of Greater Milwaukee and Waukesha County, Inc.  
Milwaukee, Wisconsin

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of United Way of Greater Milwaukee and Waukesha County, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 Greater Milwaukee and Waukesha County, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Greater Milwaukee and Waukesha County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of 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 Greater Milwaukee and Waukesha County, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' 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 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 GAAS and *Government 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 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 Greater Milwaukee and Waukesha County, 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 Greater Milwaukee and Waukesha County, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the Wisconsin State Single Audit Guidelines, is presented for purposes of additional analysis and is not a required part of the basic 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.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2026, on our consideration of United Way of Greater Milwaukee and Waukesha County, Inc.'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 Greater Milwaukee and Waukesha County, Inc.'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 Greater Milwaukee and Waukesha County, Inc.'s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
March 10, 2026

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 6,557,633	\$ 5,953,868
Investments	14,640,158	14,093,252
Pledges Receivable - Net	7,110,977	7,652,076
Grant Receivable	661,522	2,434,219
Prepaid Expenses and Other	155,275	310,690
Total Current Assets	29,125,565	30,444,105
Investments - Endowment Fund	13,339,005	15,583,945
457(b) Plan Participant Assets	171,696	154,146
Beneficial Interest in Endowment Held by Others	251,757	239,351
Funds Held as a Fiscal Agent – (Non-Campaign)	3,938,789	5,546,643
Long-Term Pledges Receivable - Net	1,864,436	3,174,587
Right-Of-Use Assets - Operating, Net	34,859	53,941
Land, Building, and Equipment - Net	2,054,122	2,259,318
Total Assets	\$ 50,780,229	\$ 57,456,036

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

	2025	2024
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Donor Designations Payable	\$ 2,246,765	\$ 3,159,304
Amounts Payable Under Campaign Fiscal Agent Responsibilities	1,125,522	1,333,639
Other Amounts Payable	596,327	777,183
Accrued Expenses and Other Current Liabilities	237,525	280,971
457(b) Plan Participant Liability	171,696	154,146
Funds Held as a Fiscal Agent – (Non-Campaign)	3,938,789	5,546,643
Operating Lease Liability	20,588	17,926
Total Current Liabilities	8,337,212	11,269,812
 Long-Term Portion of Operating Lease Liability	 14,817	 36,197
Total Liabilities	8,352,029	11,306,009
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Undesignated	1,993,489	2,521,929
Investment in Land, Building, and Equipment	2,054,123	2,259,318
Board-Designated for Programs and Initiative Funding	17,085,239	17,321,093
Board-Designated Endowment Fund	3,859,572	3,572,846
Board-Designated Short Term Community Investments	5,342,558	8,221,608
Waukesha Property Endowment	437,437	408,062
Total Without Donor Restrictions	30,772,418	34,304,856
 With Donor Restrictions	 11,655,782	 11,845,171
Total Net Assets	42,428,200	46,150,027
Total Liabilities and Net Assets	\$ 50,780,229	\$ 57,456,036

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE</b>			
Campaign Revenue:			
Gross Campaign Results	\$ 37,917,632	\$ 9,629,226	\$ 47,546,858
Contributed Non-Financial Assets	795,619	-	795,619
Less: Donor Designated Funds	(18,180,721)	(851,020)	(19,031,741)
Net Campaign Results	20,532,530	8,778,206	29,310,736
Less: Provision for Uncollectible Pledges	(1,251,800)	(127,275)	(1,379,075)
Net Campaign Revenue	19,280,730	8,650,931	27,931,661
Contributions Received in Prior Period			
Now Released from Restriction	1,874,464	(1,874,464)	-
Service Fees - Campaign	268,055	-	268,055
Sponsorship of United Way Events and Activities	945,163	-	945,163
Total Campaign Revenue	22,368,412	6,776,467	29,144,879
Noncampaign Revenue:			
Dividends and Interest Income	1,108,602	88,202	1,196,804
Net Realized and Unrealized Gains on Investments	842,003	304,139	1,146,142
Grants	1,772,314	7,370	1,779,684
Other Income	141,447	-	141,447
Release from Restrictions	7,365,567	(7,365,567)	-
Total Noncampaign Revenue	11,229,933	(6,965,856)	4,264,077
Total Public Support and Revenue	33,598,345	(189,389)	33,408,956
<b>EXPENSES</b>			
Program Services:			
Gross Program Investments	43,395,967	851,020	44,246,987
Less: Donor Designated Funds	(18,180,721)	(851,020)	(19,031,741)
Net Program Investments	25,215,246	-	25,215,246
Community Impact	1,857,451	-	1,857,451
Volunteer Engagement	1,129,386	-	1,129,386
Grants	957,328	-	957,328
Total Program Services	29,159,411	-	29,159,411
Supporting Services:			
Fundraising	5,226,137	-	5,226,137
Management and General	2,745,235	-	2,745,235
Total Supporting Services	7,971,372	-	7,971,372
Total Expenses	37,130,783	-	37,130,783
<b>CHANGE IN NET ASSETS</b>	<b>\$ (3,532,438)</b>	<b>\$ (189,389)</b>	<b>\$ (3,721,827)</b>
Net Assets - Beginning of Year	34,304,856	11,845,171	46,150,027
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 30,772,418</b>	<b>\$ 11,655,782</b>	<b>\$ 42,428,200</b>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUE</b>			
Campaign Revenue:			
Gross Campaign Results	\$ 41,898,128	\$ 14,934,498	\$ 56,832,626
Contributed Non-Financial Assets	670,662	-	670,662
Less: Donor Designated Funds	<u>(22,269,400)</u>	<u>(1,311,296)</u>	<u>(23,580,696)</u>
Net Campaign Results	20,299,390	13,623,202	33,922,592
Less: Provision for Uncollectible Pledges	<u>(1,475,487)</u>	<u>(51,984)</u>	<u>(1,527,471)</u>
Net Campaign Revenue	18,823,903	13,571,218	32,395,121
Contributions Received in Prior Period			
Now Released from Restriction	2,448,489	(2,448,489)	-
Service Fees - Campaign	377,251	-	377,251
Sponsorship of United Way Events and Activities	<u>933,725</u>	<u>-</u>	<u>933,725</u>
Total Campaign Revenue	<u>22,583,368</u>	<u>11,122,729</u>	<u>33,706,097</u>
Noncampaign Revenue:			
Dividends and Interest Income	1,206,297	78,340	1,284,637
Net Realized and Unrealized Gains on Investments	1,441,001	398,267	1,839,268
Grants	4,380,233	(78,484)	4,301,749
Other Income	153,141	-	153,141
Release from Restrictions	<u>7,027,664</u>	<u>(7,027,664)</u>	<u>-</u>
Total Noncampaign Revenue	<u>14,208,336</u>	<u>(6,629,541)</u>	<u>7,578,795</u>
Total Public Support and Revenue	<u>36,791,704</u>	<u>4,493,188</u>	<u>41,284,892</u>
<b>EXPENSES</b>			
Program Services:			
Gross Program Investments	50,973,083	1,311,296	52,284,379
Less: Donor Designated Funds	<u>(22,269,401)</u>	<u>(1,311,296)</u>	<u>(23,580,697)</u>
Net Program Investments	28,703,682	-	28,703,682
Community Impact	1,904,050	-	1,904,050
Volunteer Engagement	1,054,032	-	1,054,032
Grants	<u>1,274,650</u>	<u>-</u>	<u>1,274,650</u>
Total Program Services	<u>32,936,414</u>	<u>-</u>	<u>32,936,414</u>
Supporting Services:			
Fundraising	4,819,296	-	4,819,296
Management and General	<u>2,656,571</u>	<u>-</u>	<u>2,656,571</u>
Total Supporting Services	<u>7,475,867</u>	<u>-</u>	<u>7,475,867</u>
Total Expenses	<u>40,412,281</u>	<u>-</u>	<u>40,412,281</u>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (3,620,577)</b>	<b>\$ 4,493,188</b>	<b>\$ 872,611</b>
Net Assets - Beginning of Year	<u>37,925,433</u>	<u>7,351,983</u>	<u>45,277,416</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 34,304,856</u></b>	<b><u>\$ 11,845,171</u></b>	<b><u>\$ 46,150,027</u></b>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2025**

	Program Services				Support Services		
	Community Impact	Volunteer Engagement	Grants	Total	Fundraising and Development	Management and General	Total
Gross program investments	\$ 40,805,191	\$ 976,076	\$ 2,465,720	\$ 44,246,987	\$ -	\$ -	\$ 44,246,987
Less: Donor designated funds	(19,031,741)	-	-	(19,031,741)	-	-	(19,031,741)
Net program investments	21,773,450	976,076	2,465,720	25,215,246	-	-	25,215,246
Salaries	1,227,149	683,200	256,273	2,166,622	3,035,727	1,639,990	6,842,339
Employee health and retirement benefits	252,725	143,548	52,405	448,678	563,163	327,744	1,339,585
Payroll taxes	88,011	49,320	18,299	155,630	220,333	121,335	497,298
Total personnel expenses	1,567,885	876,068	326,977	2,770,930	3,819,223	2,089,069	8,679,222
Professional fees and outside services	22,166	11,898	538,727	572,791	361,879	238,029	1,172,699
In-Kind Gifts-Advertising	-	-	-	-	73,485	-	73,485
Supplies	3,565	5,082	37	8,684	9,631	14,555	32,870
Telephone	3,243	4,400	426	8,069	13,333	6,817	28,219
Postage and shipping	61	26	-	87	14,710	9,267	24,064
Occupancy	35,394	92,306	-	127,700	92,212	63,232	283,144
Equipment/software Maintenance & Purchases	39,777	18,714	-	58,491	71,517	43,368	173,376
Printing, publications and media	13,425	16,241	2,497	32,163	209,420	2,739	244,322
Travel	849	7,224	862	8,935	10,194	1,160	20,289
Campaign/program events, meetings, and training	17,917	4,775	87,802	110,494	124,462	39,111	274,067
Membership dues	3,161	709	-	3,870	5,518	14,398	23,786
United Way of America dues	91,893	56,323	-	148,216	257,625	136,906	542,747
United Way of Wisconsin dues	11,784	7,223	-	19,007	33,037	17,557	69,601
Depreciation expense	45,650	27,980	-	73,630	127,982	68,012	269,624
Interest expense	681	417	-	1,098	1,909	1,015	4,022
Total non-personnel expenses	\$ 289,566	253,318	630,351	1,173,235	1,406,914	656,166	3,236,315
Total personnel and non-personnel expenses	1,857,451	1,129,386	957,328	3,944,165	5,226,137	2,745,235	11,915,537
<b>Total Functional Expenses</b>	<b>\$ 23,630,901</b>	<b>\$ 2,105,462</b>	<b>\$ 3,423,048</b>	<b>\$ 29,159,411</b>	<b>\$ 5,226,137</b>	<b>\$ 2,745,235</b>	<b>\$ 37,130,783</b>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**

	Program Services				Support Services		Total
	Community Impact	Volunteer Engagement	Grants	Total	Fundraising and Development	Management and General	
Gross program investments	\$ 46,500,491	\$ 826,785	\$ 4,957,103	\$ 52,284,379	\$ -	\$ -	\$ 52,284,379
Less: Donor designated funds	(23,580,697)	-	-	(23,580,697)	-	-	(23,580,697)
Net program investments	22,919,794	826,785	4,957,103	28,703,682	-	-	28,703,682
Salaries	1,258,377	623,884	313,946	2,196,207	2,771,247	1,568,867	6,536,321
Employee health and retirement benefits	265,917	127,493	71,059	464,469	542,012	302,349	1,308,830
Payroll taxes	90,216	46,177	23,023	159,416	204,704	105,336	469,456
Total personnel expenses	1,614,510	797,554	408,028	2,820,092	3,517,963	1,976,552	8,314,607
	11,655,782						
Professional fees and outside services	8,723	10,869	739,150	758,742	175,368	262,378	1,196,488
In-Kind Gifts-Advertising	-	-	-	-	111,162	-	111,162
Supplies	2,536	5,229	18	7,783	7,569	8,806	24,158
Telephone	4,240	4,836	501	9,577	14,257	8,198	32,032
Postage and shipping	22	288	-	310	13,025	9,049	22,384
Occupancy	35,817	65,092	-	100,909	88,720	65,104	254,733
Equipment/software Maintenance & Purchases	37,928	28,534	1,187	67,649	72,654	57,588	197,891
Printing, publications and media	14,152	13,341	1,041	28,534	217,217	2,956	248,707
Travel	2,342	9,072	763	12,177	6,884	891	19,952
Campaign/program events, meetings, and training	16,826	28,540	123,962	169,328	116,338	18,231	303,897
Membership dues	4,694	855	-	5,549	5,159	20,428	31,136
United eWay expenses	-	-	-	-	78,446	-	78,446
United Way of America dues	95,981	53,132	-	149,113	233,377	133,914	516,404
United Way of Wisconsin dues	12,958	7,173	-	20,131	31,508	18,081	69,720
Depreciation expense	47,600	26,350	-	73,950	115,738	66,412	256,100
Interest expense	5,721	3,167	-	8,888	13,911	7,983	30,782
Total non-personnel expenses	289,540	256,478	866,622	1,412,640	1,301,333	680,019	3,393,992
Total personnel and non-personnel expenses	1,904,050	1,054,032	1,274,650	4,232,732	4,819,296	2,656,571	11,708,599
<b>Total Functional Expenses</b>	<b>\$ 24,823,844</b>	<b>\$ 1,880,817</b>	<b>\$ 6,231,753</b>	<b>\$ 32,936,414</b>	<b>\$ 4,819,296</b>	<b>\$ 2,656,571</b>	<b>\$ 40,412,281</b>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (3,721,827)	\$ 872,611
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization	269,624	256,100
Realized and Unrealized Gain on Operating Investments	(1,146,142)	(1,839,268)
Noncash Lease Cost	364	182
Provision for Uncollectible Pledges	(94,700)	76,132
Changes in Operating Assets and Liabilities:		
Promissory Note	-	100,000
Pledges Receivable, Net	1,945,950	(3,617,700)
Grant Receivables	1,772,697	(639,673)
Prepaid Expenses and Other Assets	155,415	(266,611)
Donor Designations Payable	(912,539)	(75,885)
Amounts Payable Under Campaign Fiscal Agent Responsibilities	(208,117)	(91,580)
Other Amounts Payable	(180,856)	(1,484,155)
Accrued Expenses and Other Liabilities	(25,896)	22,298
Net Cash Used by Operating Activities	(2,146,027)	(6,687,549)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Reinvestment of Dividends from Investment Securities	(1,179,942)	(1,298,494)
Purchases of Investment Securities	-	(183,217)
Redemption of Investment Securities	3,994,162	11,264,773
Purchases of Property and Equipment	(64,428)	(387,033)
Net Cash Provided by Investing Activities	2,749,792	9,396,029
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	603,765	2,708,480
Cash and Cash Equivalents - Beginning of Year	5,953,868	3,245,388
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 6,557,633	\$ 5,953,868
 Cash Paid During the Year for:		
Interest	\$ 4,022	\$ 30,782

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Mission Statement**

We unite people to create positive lasting change in our community.

**Nature of Activities**

United Way is a local organization run and governed by those living and working within this community. United Way is a nonprofit corporation who, by carrying out its mission, helps people build and sustain better lives through opportunities in Education, Financial Stability, and Health—the building blocks to a good life—by focusing on the root causes of our community’s most critical problems in order to break the cycle of poverty.

Annual campaigns are conducted in autumn to support programs in subsequent years. For example, pledges that are not designated to specific agencies for the autumn 2024 campaign will fund allocations to strategic initiatives and programs operated by member agencies for the fiscal year beginning July 1, 2025. Funding decisions are made by a committee consisting of staff, members of the board of directors and volunteers. These program allocations are recorded as expenses during the fiscal year beginning July 1, 2025. In addition to member agencies, donors may also designate their contributions (cash or pledges) to unaffiliated non-member agencies or certain umbrella organizations. Distribution of designated pledges to both member and non-member agencies begin prior to the start of the fiscal year beginning July 1, 2025. For example, distribution of designated pledges for the autumn 2024 campaign actually begins during the fourth quarter of 2024 and continues into the 2025 calendar year. Campaign contributions are used to support local health and human service programs of member and non-member agencies and to pay United Way operating expenses.

United Way distributes funds to both member and non-member agencies. Member agencies receive allocations for programs which they operate and must submit annual reports to United Way regarding the outcomes of these programs. United Way reviews the financial statements of member agencies on a quarterly basis as well as their annual audited financial reports and tax returns. In addition, both member and non-member agencies receive donor designations and can use these dollars for whatever purpose they desire. Non-member agencies are not subject to financial or programmatic oversight by United Way.

**Basis of Preparation**

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 (U.S. GAAP) for the nonprofit industry. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of United Way and changes therein are classified and reported as follows:

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Basis of Preparation (Continued)**

*Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations available for use at the discretion of the board of directors (the Board) and/or for management and general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management’s discretion. See Note 8 for more information on the composition of net assets without donor restrictions.

*With Donor Restrictions* – Net assets subject to donor-imposed stipulations that will be met, either by actions of United Way and/or the passage of time. 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.

Net assets subject to donor-imposed stipulations that the principal be maintained in perpetuity by United Way are separately identified within net assets with donor restrictions. Generally, the donors of these assets permit United Way to use all or part of the income earned on any related investments for general or specific purposes.

When a restriction expires or a donor-stipulated event occurs, net assets with donor restrictions are released to net assets without donor restrictions. See Note 9 for more information on the composition of net assets with donor restrictions.

**Cash and Cash Equivalents**

United Way considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash or cash equivalents. Cash and cash equivalents are invested primarily in interest-bearing accounts. Aggregate accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. United Way had \$6,584,679 and \$7,151,871 of uninsured cash at June 30, 2025 and 2024, respectively.

**Investments**

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are recorded on a trade date basis. Net appreciation (depreciation) in fair value of investments includes both realized and unrealized investment gains and losses. Interest is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Pledges Receivable**

Unconditional promises to give cash and other assets, less a provision for uncollectible amounts, are recorded as pledges receivable and gross campaign revenue in the year the pledges are made. Allowances are established for pledged amounts estimated to be uncollectible. Collections on prior year campaign pledges previously written off are treated as revenue without donor restrictions in the year of collection.

Donor-designated pledge receivables, less reductions for estimated uncollectible pledges when applicable, are included in pledges receivable in the statements of financial position.

**Provision for Uncollectible Pledges**

The provision for uncollectible pledges consists of the following three components:

**Estimated Loss on Pledges Receivable**

An estimated loss on pledges received during the fiscal years ended June 30, 2025 and 2024 is recognized during the year in which the pledge has been received. The rate used to calculate the estimated uncollectible amount is based upon a historical analysis of actual pledge losses during past campaigns.

**Provision on Donor-Designated Pledges**

Donor-designated pledges are excluded from gross campaign revenue. The pledge loss provision associated with these donor-designated pledges is excluded as well.

**Recoveries on Previously Written Off Pledges**

Recoveries are typically realized on previously written off pledges from prior campaigns. These amounts are credited against this account.

**Beneficial Interest in Endowment Held by Others**

Beneficial interest in endowment held by others consisted of Forever Funds of United Way held by the Waukesha County Community Foundation (WCCF). The carrying amounts reported in the statement of financial position for financial instructions approximate their fair values. Under accounting standards, when a resource provider (United Way) transfers assets to another agency but specifies itself as the beneficiary, the economic benefit remains with United Way. Accordingly, the assets and net assets are included in these financial statements. United Way receives periodic distributions on these investments upon WCCF board approval.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Land, Building, and Equipment**

All property is recorded at cost except for donated property, which is recorded at fair value at the date of donation. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Building and Improvements	5 to 33 Years
Furniture, Fixtures, and Equipment	3 to 10 Years
Automobiles	5 Years
Computer Hardware and Software	3 to 5 Years

**Impairment of Long-Lived Assets**

United Way reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**Donor Designations Payable**

Donor designations payable represent amounts due to qualified donor-designated agencies under United Way's "Community Donor Choice" and "Tocqueville Society" programs or other donor-designated programs administered by United Way for local and state government employees.

**Amounts Payable Under Campaign Fiscal Agent Responsibilities**

United Way's fiscal agent responsibilities fall into two categories.

In the first category, United Way handles both the collection and distribution function of local corporations which have a nationwide presence. These corporations have asked United Way to process all of the pledges from each of its locations. Only those pledges from the local office, however, are counted as campaign revenue. United Way handles the collection responsibilities for all of the corporation's locations and distributes the pledges to other United Way entities, if the pledge is undesignated, or to other charitable organizations in the event that the pledges are designated.

In the second category, United Way handles only the distribution process as it receives amounts from one major corporate donor with locations around the country. On a quarterly basis, United Way distributes these funds to hundreds of United Way entities across the United States. United Way has no collection responsibilities with respect to these amounts.

Assets and liabilities associated with these fiscal agent transactions are included in the statements of financial position.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Funds Held as a Fiscal Agent (Non-Campaign)**

United Way serves as a fiscal agent for funds held on behalf of a third-party. United Way does not have control or discretion over the use of these funds, and the funds are expected to be distributed to the third-party in 2025. These funds are recorded at the fair value of the assets held, with a corresponding liability recorded for the benefit of the third-party beneficiaries.

**Revenue Recognition**

Campaigns are conducted annually to raise money in order to impact the community in a positive manner by helping people build and sustain better lives through opportunities in Education, Income, and Health—the building blocks to a good life. Campaign contributions and income from special events and fund-raising are recognized in the year pledged. Pledges receivable and related revenue are recorded when the pledge is received, and allowances are provided for amounts estimated to be uncollectible. The allowances are based on past history, adjusted for current conditions, as considered appropriate by management.

**Contributions**

Annual fall campaign results are reduced by pledges designated to a specific organization and by a provision for uncollectible pledges. Pledges received in the current fiscal year for the prior autumn's campaign are considered revenue without donor restrictions. Pledges received in the current fiscal year for the upcoming autumn's campaign are reflected as revenue with donor restrictions. Pledges received in the current fiscal year for prior year campaigns are recorded as revenue without donor restrictions. Collections on pledges for prior year campaigns are released from restriction in the year collected.

**Contributed Services**

No amounts have been reflected in the financial statements for contributed services that do not require specialized expertise. United Way pays for most services requiring specific expertise. However, many individuals volunteer substantial amounts of time toward United Way sponsored community activities, campaign solicitations, and various committee assignments, which do not require specialized expertise or would not typically be purchased if not provided by donation.

Various organizations have provided various services at no charge, the value of which has been reflected as gross campaign revenue in the statements of activities. The value of program services has been reflected as gross program investments in the statements of activities. See Note 16 for more detail.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Contributed Services (Continued)**

Many organizations reimburse United Way for various expenses incurred through sponsorships. The reimbursements and expenses have been reflected in total campaign revenue and operating expenses in the statements of activities.

**Designation Cost Recovery Fees**

Requirement M of United Way Worldwide limits the cost recovery fee on donor-designated pledges to no more than the sum of a three-year moving average of its fundraising cost percentage (Fundraising Expense divided by Total Campaign Revenue on Form 990) and its processing cost percentage (Management & General Expenses divided by Total Revenue on Form 990), United Way of Greater Milwaukee & Waukesha County is in compliance with Requirement M.

**Fundraising Expenses**

All salary, overhead, and miscellaneous costs are recorded as operating expenses in the period incurred.

**Functional Allocation of Expenses**

In the accompanying statement of functional expenses, all expenses are allocated based upon the functions to which they relate. Expenses that can be identified with a specific function are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by estimated time spent on the respective program and support functions. The allocation to these categories was made in accordance with standards established by United Way Worldwide.

**Use of Estimates**

The preparation of the accompanying financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. United Way considers the value of the allowance for uncollectible pledges receivable to be a significant estimate subject to change. Actual results may differ from these estimates.

**Income Taxes**

United Way has been determined to be a charitable organization as defined under section 501(c)(3) of the Internal Revenue Code (IRC) and, as such, is exempt from federal income taxes. United Way is also exempt from state income taxes.

Management analyzed the requirements for accounting for uncertain tax positions. United Way determined that it was not required to record a liability related to uncertain tax positions at June 30, 2025 and 2024.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Leases**

Beginning July 1, 2022, United Way began accounting for its leases in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842, *Leases*. United Way determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. United Way recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease.

ROU assets represent United Way's right to use an underlying asset for the lease term and lease liabilities represent United Way's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that United Way will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. United Way has elected to recognized payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, United Way has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities.

United Way has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 2 INVESTMENTS**

The following table summarized investments, stated at fair value, for the years ended June 30:

	2025		2024	
	Investments Measured at	Percentage	Investments Measured at	Percentage
<b>Operating:</b>				
Equity Securities	\$ 6,810,192	46.5%	\$ 5,695,835	40.4%
Fixed Income	6,563,481	44.8%	6,999,153	49.7%
Limited Partnership	1,266,485	8.7%	1,398,264	9.9%
Total	<u>\$ 14,640,158</u>	<u>100%</u>	<u>\$ 14,093,252</u>	<u>100%</u>
<b>Endowment:</b>				
Equity Securities	\$ 5,307,997	39.8%	\$ 4,943,416	31.7%
Fixed Income	7,626,169	57.2%	10,260,344	65.8%
Limited Partnership	404,839	3.0%	380,185	2.4%
Total	<u>\$ 13,339,005</u>	<u>100%</u>	<u>\$ 15,583,945</u>	<u>100%</u>
<b>Total Investments:</b>				
Equity Securities	\$ 12,118,189	43.3%	\$ 10,639,251	35.8%
Fixed Income	14,189,650	50.7%	17,259,497	58.2%
Limited Partnership	1,671,324	6.0%	1,778,449	6.0%
Total	<u>\$ 27,979,163</u>	<u>100%</u>	<u>\$ 29,677,197</u>	<u>100%</u>

The following table summarized the components of United Way's investment income for the years ended June 30:

	2025		2024	
	Dividend and Interest Income	Realized and Unrealized Gains	Dividend and Interest Income	Realized and Unrealized Gains
Operating	\$ 1,022,465	\$ 515,643	# \$ 1,090,241	\$ 1,000,302
Endowment	204,083	606,380	182,772	813,406
Total	<u>\$ 1,226,548</u>	<u>\$ 1,122,023</u>	<u>\$ 1,273,013</u>	<u>\$ 1,813,708</u>

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 3 FAIR VALUE MEASUREMENTS**

Generally accepted accounting principles establish a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under U.S. GAAP 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 United Way 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 or liability'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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used at June 30, 2025 and 2024 for assets measured at fair value.

*Limited Partnerships:* One limited partnership is valued at an amount equal to the ownership interest in partners' capital, which approximates fair value. Two limited partnerships are valued at the net asset value (NAV) of shares held by United Way at year-end. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund, less its liability. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. The three funds do not have a finite life, unfunded commitments or restrictions on redemptions. The investment strategy of the limited partnerships are to 1) outperform the Morgan Stanley Capital International Index of Europe, Australia and the Far East Index over multiple year periods, or 2) to maintain significantly less volatility than the global equity market while delivering market-like returns over a full market cycle or 3) deliver stable total returns in excess of the NCREIF Fund Index – Open End Diversified Core Equity (NFI-ODCE).

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

*Mutual Funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by United Way are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by United Way are deemed to be actively traded.

Information regarding assets measured at fair value on a recurring basis as of June 30, 2025 and 2024 is as follows:

	2025			Total
	Level 1	Level 2	Level 3	
Mutual Funds:				
Money Market	\$ 95,345	\$ -	\$ -	\$ 95,345
Small Cap Value	1,157,420	-	-	1,157,420
Large Cap Value	1,124,828	-	-	1,124,828
All Cap Core	6,158,163	-	-	6,158,163
International	3,582,433	-	-	3,582,433
Fixed Income	12,681,811	-	-	12,681,811
Senior Secured Loans	1,507,838	-	-	1,507,838
Total Investments at Fair Value	<u>\$ 26,307,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,307,838</u>
Investments Valued at Net Asset Value				1,671,325
Total Investments				<u>\$ 27,979,163</u>
	2024			Total
	Level 1	Level 2	Level 3	
Mutual Funds:				
Money Market	\$ 56,719	\$ -	\$ -	\$ 56,719
Small Cap Value	1,114,497	-	-	1,114,497
All Cap Core	5,850,738	-	-	5,850,738
International	3,588,523	-	-	3,588,523
Fixed Income	16,305,851	-	-	16,305,851
Senior Secured Loans	963,229	-	-	963,229
Total Investments at Fair Value	<u>\$ 27,879,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,879,557</u>
Investments Valued at Net Asset Value				1,797,640
Total Investments				<u>\$ 29,677,197</u>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 4 PLEDGES RECEIVABLE**

Net pledges receivable consisted of the following as June 30:

	<u>2025</u>	<u>2024</u>
Within One Year	\$ 8,786,350	\$ 9,422,148
In One to Five Years	1,988,000	3,500,000
Total	<u>10,774,350</u>	<u>12,922,148</u>
Less: Allowance for Uncollectible Amount	1,675,373	1,770,073
Less: Discount to Present Value	123,564	325,412
Less Current Portion	<u>7,110,977</u>	<u>7,652,076</u>
Total Pledges Receivable, Less Current	<u><u>\$ 1,864,436</u></u>	<u><u>\$ 3,174,587</u></u>

Unconditional promise to give that is expected to be collected in future years is recorded at the present value of estimated future cash flows. The discount on a long-term pledge is computed using a rate of 4.46% and 5.62%, for the years ended 2025 and 2024, respectively.

**NOTE 5 LAND, BUILDING, AND EQUIPMENT**

Land, building, and equipment consisted of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Land and Improvements	\$ 100,235	\$ 100,235
Buildings and Improvements	4,589,580	4,525,151
Equipment	1,599,859	1,599,859
Furniture and Fixtures	<u>64,956</u>	<u>64,956</u>
Subtotal	<u>6,354,630</u>	<u>6,290,201</u>
Less: Accumulated Depreciation and Amortization	<u>(4,300,508)</u>	<u>(4,030,883)</u>
Total Property and Equipment	<u><u>\$ 2,054,122</u></u>	<u><u>\$ 2,259,318</u></u>

**NOTE 6 LINE OF CREDIT**

United Way has an unsecured line of credit with a bank wherein the lender will provide amounts up to \$4,000,000. The line of credit agreement matures February 28, 2026. Interest is accrued on the unpaid principal balance at SOFR plus 161 basis points provided that in no event shall SOFR be less than 0.00%. The interest rate was 6.06% and 6.94% at June 30, 2025 and 2024, respectively. As of June 30, 2025 and 2024, United Way had no balance outstanding under the line of credit.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 7 THRIFT AND DEFERRED COMPENSATION PLANS**

**403(b) Thrift Plan**

The plan covers substantially all union and nonunion employees. Employees are allowed to contribute to the plan up to certain limitations along with a company match based on years of service. The thrift plan matching contributions charged to expense were \$189,930 and \$163,053 in 2025 and 2024, respectively.

A separate United Way contribution is made to the plan for members of the union with at least one year of service. In addition, nonunion employees hired after March 31, 2015 also participate in this plan. United Way contributes a percentage of a participant's regular annual salary to this pension plan. Employees direct the contributions to specific funds. Vesting requirements are on a five-year sliding scale. The union and nonunion plan contributions charged to expense were \$374,152 and \$388,370 in 2025 and 2024, respectively.

**Deferred Compensation Plan – 457(b)**

United Way has a 457(b) plan for certain highly compensated senior employees. The plan may be funded by employer and employee contributions. Eligible employees may elect to contribute up to the maximum dollar amount under section 457(e)(15) of the IRC. The assets of the plan are the legal assets of United Way until they are distributed to participants, and therefore the plan assets and corresponding liability are reported in the statement of financial position.

Information regarding assets measured at fair value on a recurring basis as of June 30, 2025 and 2024 is as follows:

	2025			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 7,222	\$ -	\$ -	\$ 7,222
Guaranteed Interest Rate				
Contract	-	-	164,474	164,474
Total	\$ 7,222	\$ -	\$ 164,474	\$ 171,696
	2024			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 154,146	\$ -	\$ -	\$ 154,146
Total	\$ 154,146	\$ -	\$ -	\$ 154,146

**NOTE 8 NET ASSETS WITHOUT DONOR RESTRICTIONS**

**Investment in Land, Buildings, and Equipment**

Amount represents the net land, building, and equipment amount presented on the assets section of the statement of financial position that is not available for general expenditures.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 8 NET ASSETS WITHOUT DONOR RESTRICTIONS (CONTINUED)**

**Board Designated for Programs and Initiative Funding**

Amount represents net assets without donor restrictions from the fall campaign that the Board of Directors has allocated for funding of agency programs and initiatives in the next fiscal year.

**Board-Designated Endowment Fund**

This fund was created by the Board of Directors to accept primarily estate gifts where the donor has not restricted the use of the funds. United Way has an endowment spending policy which applies to this fund and annually the board determines how the spending distribution will be used. See Note 10 for details on endowments.

**Board-Designated Short-Term Community Investments**

Amount represents a short-term unrestricted gift from MacKenzie Scott to be allocated in the community within a few years of the receipt of the gift. Investments will be allocated to Safe & Stable Homes, Racial Equity, Community Schools, Education, Health, program allocations, and other Board-designated initiatives. See Note 10 for details on endowments.

**Waukesha Property Endowment**

This endowment was originally funded from the proceeds of the sale of the Waukesha office. The purpose of the fund is to underwrite future occupancy costs in Waukesha County. See Note 10 for details on endowments.

**Board Designated for Capital Improvements**

Balance represents rental income from leasing a portion of the Milwaukee building. Use of these funds are restricted by the Board for repairs/maintenance cost of the property. United Way no longer leases a portion of the Milwaukee building, that portion of the building was repurposed as the Johnson Controls Volunteer Center.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as follows:

	2025	2024
Subject to the Passage of Time:		
2025-2028 Campaign Revenue	\$ 5,101,154	\$ 3,174,588
2024 Campaign Revenue	-	3,049,350
Total	5,101,154	6,223,938
Subject to Expenditure for Specified Purpose:		
Restricted Grant	\$ 2,576,551	\$ 2,013,724
Total	2,576,551	2,013,724
Subject to United Way's Endowment Spending Policy and Appropriation:		
Investment in Perpetuity (Including Amounts Above the Original Gift of \$1,624,679 in 2025 and \$1,532,854 in 2024), Which Once Appropriated, is Expendable to Support:		
Community Emergencies	440,597	397,759
For Minority or Neglected Children Programs	235,510	219,829
General Annual Campaign Gift	476,673	400,934
Healthy Girls Program	215,376	169,979
Future Use	2,358,164	2,179,657
Total	3,726,320	3,368,158
Beneficial Interest in Endowment Held by Others Subject to United Way's Spending Policy:		
Investment Which Once Appropriated, is Expendable to Support:		
General Annual Campaign Gift	48,396	45,480
Future Use	203,361	193,871
Total Endowments	251,757	239,351
Total	\$ 11,655,782	\$ 11,845,171

**Campaign Revenue**

Net assets with donor restrictions include revenue from upcoming United Way campaigns that is unavailable for distribution until the close of the annual campaign.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

**Restricted Grants**

Throughout the year, United Way receives various donations for specific purposes. These donations are typically spent within a 12-month cycle.

**Endowments**

Net assets with donor restrictions also includes contributions from donors which have timing restrictions on the use of both the original gift and increases in the fair value of the gift. See Note 10 for details on endowments.

**NOTE 10 ENDOWMENTS**

United Way's endowments consist of various funds established to benefit United Way for a variety of purposes. United Way's endowments include both donor-restricted endowments and funds designated by the Board of Directors to function as an endowment. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

United Way believes the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the Wisconsin state legislature, is the relevant state law governing their endowment funds. United Way has interpreted UPMIFA as allowing the appropriation for expenditure for the purposes for which an endowment is established as the net appreciation, realized and unrealized, in the fair value of an endowment fund over the historic dollar value of the fund as is prudent under ordinary business care considering the facts and circumstances prevailing at the time the action is taken.

United Way has adopted investment and spending policies for certain endowment funds that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to preserve the fair value of the endowment assets. Under United Way's investment policy, as approved by the board of directors, the endowment assets are invested in a manner to protect principal, grow the aggregate portfolio value in excess of the rate of inflation, and achieve an effective annual rate of return that is equal to or greater than the designated benchmarks for the various types of investment vehicles, and to ensure that any risk assumed is commensurate with the given investment vehicle and United Way's objectives.

To achieve its investment goals, United Way targets an asset allocation that will achieve a balanced return of current income and long-term growth of principal while exercising risk control. United Way's asset allocations include a blend of equity and debt securities and cash equivalents.

Interest, dividends, and net appreciation in fair value of endowment funds on donor-restricted endowment funds are classified as "with donor restrictions" in net assets if the earnings are restricted by the donor for a specific purpose or as board-designated "without donor restrictions" in net assets if the earnings are not donor restricted.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 10 ENDOWMENTS (CONTINUED)**

**Underwater Endowment Funds**

United Way considers a fund to be “underwater” if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. United Way complies with the UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. United Way has no underwater endowment funds at June 30, 2025 and 2024.

**Donor-Restricted Endowment**

United Way has received several gifts in which the donors have stipulated that the gift amount be invested and maintained permanently to generate annual income for fulfilling the United Way mission, to servicing neglected children, or to help finance projects which identify community problems. The donor-restricted endowment investments are maintained by United Way in a trust account with the board-designated endowment investments. United Way is responsible for investment decisions. For endowment funds with no spending instructions, United Way determines the income available for distribution using the total return method. Distributions are made annually equal to 4% of the average market value of the related endowment investments over a three-year period.

**Board-Designated Endowment**

The board of directors has set aside certain memorials and bequests for endowment purposes. As these amounts are not restricted by the donor, but are segregated only by Board policy, the amounts have been classified as unrestricted net assets. The Board’s intent is that the amount of unrestricted net assets that are classified as an endowment will always be equal to the market value of the funds invested in the endowment investment trust. The Board may designate additional amounts from time to time to be added to the endowment trust. The annual distribution policy the Board has set will allow distributions made available to operations equal to 4% of the average market value of the board-designated endowment investments over a three-year period.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 10 ENDOWMENTS (CONTINUED)**

Endowment net assets consisted of the following at June 30, 2025 and 2024:

June 30, 2025	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 3,859,572	\$ -	\$ 3,859,572
Board-Designated Short Term Community Investments	5,342,558		5,342,558
Waukesha Property Endowment	437,437	-	437,437
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	1,624,679	1,624,679
Accumulated Growth of Perpetual Gifts Subject to Appropriation for a Specific Purpose	-	369,096	369,096
Accumulated Growth of Perpetual Gifts Subject to Appropriation for a Future Use	-	1,291,947	1,291,947
Subject to Spending Policy:			
Restricted for a Specific Purpose	-	488,993	488,993
Future Use	-	203,361	203,361
Total	<u>\$ 9,639,567</u>	<u>\$ 3,978,076</u>	<u>\$ 13,617,643</u>
<u>June 30, 2024</u>			
Board-Designated Endowment Funds	\$ 3,572,846	\$ -	\$ 3,572,846
Board-Designated Short Term Community Investments	8,221,608		8,221,608
Waukesha Property Endowment	408,062	-	408,062
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	1,525,354	1,525,354
Accumulated Growth of Perpetual Gifts Subject to Appropriation for a Specific Purpose	-	331,606	331,606
Accumulated Growth of Perpetual Gifts Subject to Appropriation for a Future Use	-	1,113,440	1,113,440
Subject to Spending Policy:			
Restricted for a Specific Purpose	-	443,240	443,240
Future Use	-	193,871	193,871
Total	<u>\$ 12,202,516</u>	<u>\$ 3,607,511</u>	<u>\$ 15,810,027</u>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 10 ENDOWMENTS (CONTINUED)**

Changes in endowment net assets were as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - June 30, 2023	\$ 16,429,258	\$ 3,179,388	\$ 19,608,646
Activity in Fiscal Year June 30, 2024:			
Addition to Endowments	54,556	87,275	141,831
Investment Return:			
Interest and Dividends	95,872	78,340	174,212
Net Appreciation	440,699	398,267	838,966
Endowment Expenditures/Distributions	<u>(4,817,869)</u>	<u>(135,759)</u>	<u>(4,953,628)</u>
Endowment Net Assets - June 30, 2024	12,202,516	3,607,511	15,810,027
Activity in Fiscal Year June 30, 2025:			
Addition to Endowments	19,681	81,326	101,007
Investment Return:			
Interest and Dividends	106,523	88,202	194,725
Net Appreciation	326,360	304,138	630,498
Endowment Expenditures/Distributions	<u>(3,015,513)</u>	<u>(103,101)</u>	<u>(3,118,614)</u>
Endowment Net Assets - June 30, 2025	<u>\$ 9,639,567</u>	<u>\$ 3,978,076</u>	<u>\$ 13,617,643</u>

**NOTE 11 LIQUIDITY AND AVAILABILITY OF RESOURCES**

United Way regularly monitors liquidity required to meet its program and initiative funding, and operating needs, while also striving to maximize the investment of its available funds. United Way has various sources of liquidity at its disposal, including cash and cash equivalents, investments (see Note 2), and a line of credit (see Note 6).

For purposes of analyzing resources available to meet general expenditures over a 12-month period, United Way considers all expenditures related to its ongoing activities of payments to donor-designated agencies, amounts payable to agencies under fiscal agent responsibilities, and public service as well as the conduct of services undertaken to support these activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, United Way operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 11 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)**

The following table reflects United Way's financial assets as of June 30, 2025 and 2024, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of internal board designations (see Note 8).

	2025	2024
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 6,557,633	\$ 5,953,868
Operating Investments	14,640,158	14,093,252
Pledges Receivable - Net	7,110,977	7,652,076
Grant Receivables	661,522	2,434,219
	28,970,290	30,133,415
Less Amounts Not Available to be Used Within One Year:		
Donor Restricted Grants	(2,576,551)	(2,013,724)
Board-Designated for Program and Initiative Funds	(17,085,239)	(17,321,093)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 9,308,500	\$ 10,798,598

**NOTE 12 NET PROGRAM INVESTMENTS**

United Way's mission is to improve lives by mobilizing community resources. United Way brings together people and resources from all across the community from government, business, faith groups, nonprofits and individuals, to accomplish more than any one organization or person can alone.

Undesignated pledges received were distributed to member and nonmember agencies across the following programs for the years ended June 30, 2025 and 2024:

	2025	2024
United Way Investment Strategies:		
Education	\$ 4,576,702	\$ 5,685,028
Financial Stability	10,563,193	12,218,688
Health	7,542,859	7,444,987
Grant subrecipients	2,532,492	3,354,979
Total	\$ 25,215,246	\$ 28,703,682

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 13 GRANTS AND PROGRAMS**

**Milwaukee Community Schools Partnership**

The Milwaukee Community Schools Partnership (MCSP) is a collective strategy to transform schools into a place where students, families, staff, and the surrounding community can work together to ensure every student is successful.

Community Schools is a proven model to increase a school's capacity to better engage and align partnerships centered on the self-identified, real-time priorities of schools and communities. Our strategy places the focus on the whole child by providing academic supports, social and emotional learning, health and wellness, family and community engagement, and a safe and supportive climate.

This program is funded by a grant from the Milwaukee Public Schools, contributions from local area businesses and by an allocation from United Way. During fiscal 2025 and 2024, United Way expended \$1,404,919 and \$1,579,248, respectively, on the program, of which \$974,141 and \$1,102,471, respectively, was expended by United Way's sub-recipients under the program.

**Right To Counsel**

Right to Counsel is a pilot program that offers free housing attorneys for every family under 200% of the federal poverty guideline facing an eviction case in Milwaukee County Small Claims Court.

Legal Action of Wisconsin's Eviction Defense Project data shows that 90% of eviction cases are dismissed or delayed when a tenant has legal representation, but only 3% of the 14,000 Milwaukee families facing an eviction in a typical year will have legal representation.

Right to Counsel addresses racial inequities in housing stability. Milwaukee County Small Claims Court data indicates families at-risk for evictions are mostly Black and Latino residents in low-income areas. Black women, families with children, and Latino families in mostly White neighborhoods are disproportionately evicted in Milwaukee County.

This program is funded by a grant from Milwaukee County. During fiscal 2025 and 2024, United Way expended \$1,231,314 and \$1,792,467, respectively, on the program, of which \$1,058,887 and \$1,583,704, respectively, was expended by United Way's sub-recipients under the program.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 13 GRANTS AND PROGRAMS (CONTINUED)**

**State Shelter Subsidy Grants**

The State Shelter Subsidy Grant (SSSG) provides up to 50% of an emergency shelter or voucher program's annual operating budget. The Safe Shelter and Homeless Grant funds are available to shelter programs with additional funding needs like renovation/expansion of an existing shelter, development of an existing building into a shelter, the expansion (or development) of shelter services, or to continue an existing level of service. SSSG participants were surveyed to identify funding needs for the 2023/2024 and 2024/2025 winters as well as funding needs for critical capital investments. The Wisconsin Department of Administration (DOA) used information collected to determine the proportion of funding that each emergency shelter and voucher program would receive through the Safe Shelter and Homelessness Grants.

This program is funded by two grants from DOA. During fiscal years 2025 and 2024, United Way expended \$470,814 and \$632,123, respectively, on the program, of which \$426,465 and \$617,123, respectively, was expended by United Way's sub-recipients under the program.

**NOTE 14 CONCENTRATIONS**

The United Way maintains cash at an area financial institution, which, at times, may exceed FDIC limits. The United Way has not experienced any losses with these accounts. Management believes the United Way is not exposed to any significant risk on cash.

**NOTE 15 RELATED PARTIES**

Certain members of the United Way's Board of Directors serve on boards of directors of various member agencies or service companies with which the United Way does business.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 16 DONATED SERVICES AND ASSETS**

United Way received the following contributions of nonfinancial assets for the years ending June 30:

	<u>2025</u>	<u>2024</u>
Advertising	\$ 73,485	\$ 111,162
Supplies for Community Programs	722,134	559,500
Total	<u>\$ 795,619</u>	<u>\$ 670,662</u>

Advertising is recognized as in-kind contribution revenue. United Way valued this work at current market rates for similar advertising. United Way utilizes the in-kind advertising.

Supplies are recognized as in-kind contribution revenue. United Way valued these supplies at current market rates for similar items. United Way utilizes the in-kind supplies.

**NOTE 17 LEASES – ASC 842**

United Way leases an office facility for a three-year term under a non-cancelable lease agreement. The lease expires in February 2027 and provides for renewal option for one additional three-year term. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. The office facility lease provides for increases in future minimum annual rental payments at a rate of 2.5% per annum.

The following table provides quantitative information concerning United Way's leases:

	<u>2025</u>	<u>2024</u>
Operating Lease Cost	\$ 22,145	\$ 24,953
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	\$ 21,780	\$ 20,952
Right-of-Use Assets Obtained in Exchange for Lease Liabilities:		
Operating Leases	\$ 60,031	\$ 60,031
Weighted-Average Lease Term:		
Operating Leases	1.6 years	2.67 years
Weighted-Average Discount Rate:		
Operating Leases	6.70 %	6.70 %

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 17 LEASES – ASC 842 (CONTINUED)**

United Way classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2025, is as follows:

Year Ending December 31,	Operating Leases
2026	\$ 22,325
2027	15,129
Total Lease Payments	37,454
Less: Imputed Interest	(2,049)
Present Value of Lease Liabilities	\$ 35,405

**NOTE 18 SUBSEQUENT EVENTS**

Management evaluated subsequent events through March 10, 2026 the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2025, but prior to March 10, 2026 that provide additional evidence about conditions that existed at June 30, 2025, have been recognized in the financial statements for the year ended June 30, 2025. Events or transactions that provided evidence about conditions that did not exist at June 30, 2025 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2025.



**INDEPENDENT AUDITORS' REPORT INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
United Way of Greater Milwaukee and Waukesha County, Inc.  
Milwaukee, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of Greater Milwaukee and Waukesha County, Inc., which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 10, 2026.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered United Way of Greater Milwaukee and Waukesha County, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Way of Greater Milwaukee and Waukesha County, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of United Way of Greater Milwaukee and Waukesha County, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Items***

As part of obtaining reasonable assurance about whether United Way of Greater Milwaukee and Waukesha County, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of United Way of Greater Milwaukee and Waukesha County, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way of Greater Milwaukee and Waukesha County, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
March 10, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND WISCONSIN STATE SINGLE AUDIT GUIDELINES**

Board of Directors  
United Way of Greater Milwaukee and Waukesha County, Inc.  
Milwaukee, Wisconsin

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited United Way of Greater Milwaukee & Waukesha County, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and *Wisconsin State Single Audit Guidelines* that could have a direct and material effect on each of United Way of Greater Milwaukee & Waukesha County, Inc.'s major federal and state programs for the year ended June 30, 2025. United Way of Greater Milwaukee & Waukesha County, Inc.'s major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, United Way of Greater Milwaukee & Waukesha County, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal and State Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *Wisconsin State Single Audit Guide*. Our responsibilities under those standards and the Uniform Guidance and the *Wisconsin State Single Audit Guide* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of United Way of Greater Milwaukee & Waukesha County, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of United Way of Greater Milwaukee & Waukesha County, Inc.'s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to United Way of Greater Milwaukee & Waukesha County, Inc.'s federal and state programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on United Way of Greater Milwaukee & Waukesha County, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance and the *Wisconsin State Single Audit Guide* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about United Way of Greater Milwaukee & Waukesha County, Inc.'s compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance and the *Wisconsin State Single Audit Guide*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 United Way of Greater Milwaukee & Waukesha County, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of United Way of Greater Milwaukee & Waukesha County, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *Wisconsin State Single Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of United Way of Greater Milwaukee & Waukesha County, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *Wisconsin State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Milwaukee, Wisconsin  
March 10, 2026

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>Department of the Treasury</b>				
Pass through United Way of Wisconsin Coronavirus Capital Projects Fund Digital Connectivity and Navigators Program	21.029	KGC4M2LKCER8	\$ -	\$ 14,700
Total Department of the Treasury			<u>-</u>	<u>14,700</u>
<b>Department of Education</b>				
Innovative Approaches to Literacy; Promise Neighborhoods; and Full- service Community Schools	84.215J	N/A	518,804	708,891
Pass through Milwaukee Public Schools Title I	84.010	C026506	<u>300,000</u>	<u>300,000</u>
Total Department of Education Programs			818,804	1,008,891
Total Expenditures of Federal Awards			<u><u>\$ 818,804</u></u>	<u><u>\$ 1,023,591</u></u>
State Grantor/Pass Through Grantor/ Program or Cluster Title	State ID Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>Public Service Commission of Wisconsin</b>				
Universal Service Fund Grant Program	PSC 160.125(2)(f)	N/A	\$ -	\$ 32,648
<b>Wisconsin Department of Administration</b>				
State Shelter Grant Program	505.707A	SSSG 25-47	<u>426,465</u>	<u>472,237</u>
Total Expenditures of State Awards			<u><u>\$ 426,465</u></u>	<u><u>\$ 504,885</u></u>

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**JUNE 30, 2025**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state award activity of United Way under programs of the federal and state government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal and State Awards* (Uniform Guidance) and the *Wisconsin State Single Audit Guide*. Because the Schedule presents only a selected portion of the operations of United Way, it is not intended to and does not present the financial position, changes in net assets, or cash flows of United Way.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 INDIRECT COST RATE**

United Way has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

---

**Section I – Summary of Auditors’ Results**

---

***Financial Statements***

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no

***Federal Awards***

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no

***Identification of Major Federal Programs***

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.215J	Innovative Approaches to Literacy; Promise Neighborhoods; and Full-service Community Schools

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000
- Auditee qualified as low-risk auditee? \_\_\_\_\_ x \_\_\_\_\_ yes \_\_\_\_\_ no

**UNITED WAY OF GREATER MILWAUKEE AND WAUKESHA COUNTY, INC.  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED JUNE 30, 2025**

**State Financial Assistance**

1. Internal control over state projects:

- Material weakness(es) identified?      \_\_\_\_\_ yes        x   no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?      \_\_\_\_\_ yes        x   none reported

2. Type of auditors' report issued on compliance for state projects:      Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with state requirements?      \_\_\_\_\_ yes        x   no

**Identification of Major State Projects**

**CSFA Number(s)**

505.707A

**Name of State Project**

State Shelter Grant Program

Dollar threshold used to distinguish between Type A and Type B state projects:      \$   100,000  

---

**Section II – Financial Statement Findings**

---

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

---

**Section III – Findings and Questioned Costs – Major Federal Programs**

---

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.