



United Way of Long Island

UNITED WAY OF LONG ISLAND

**FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

**AS OF AND FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

**UNITED WAY OF LONG ISLAND
INDEX TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
United Way of Long Island:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the United Way of Long Island ("UWLI", a non-profit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the UWLI 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the UWLI and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the UWLI's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

NawrockiSmith

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 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 the UWLI's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the UWLI'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.

NawrockiSmith

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 9, 2025 on our consideration of the UWLI's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 the UWLI's internal control over financial reporting and compliance.

Hauppauge, New York
December 9, 2025

Nawrocki Smith LLP

UNITED WAY OF LONG ISLAND
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2025 AND 2024

ASSETS	2025	2024
CURRENT ASSETS:		
Cash and cash equivalents:		
Unrestricted	734,643	2,554,485
Restricted	<u>5,218,093</u>	<u>4,765,745</u>
Total cash and cash equivalents	5,952,736	7,320,230
Investments	393,544	127,089
Pledges and other receivables, net of allowance for uncollectible pledges of \$133,553 and \$124,069, respectively	2,712,154	3,187,516
Current portion of loan receivable	3,978	-
Prepaid expenses	<u>101,818</u>	<u>103,340</u>
Total current assets	9,164,230	10,738,175
NONCURRENT ASSETS:		
Fixed assets, net of accumulated depreciation and amortization of \$2,799,677 and \$2,562,754, respectively	4,024,827	3,576,061
Property held for sale	430,000	826,492
Right-of-use assets, net - operating	39,367	47,238
Loan receivable, net of current portion	<u>37,329</u>	<u>-</u>
Total assets	<u>\$ 13,695,753</u>	<u>\$ 15,187,966</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of mortgage payable	\$ 72,969	\$ 70,571
Current portion of lease liabilities - operating	14,578	14,079
Accounts payable and accrued expenses	1,573,864	1,229,348
Government advances	1,237,187	2,807,988
Designations payable	53,316	81,328
Deferred revenue	<u>274,443</u>	<u>355,992</u>
Total current liabilities	<u>3,226,357</u>	<u>4,559,306</u>
LONG-TERM LIABILITIES:		
Mortgage payable	2,142,385	2,207,245
Lease liabilities, net of current portion - operating	<u>23,277</u>	<u>26,522</u>
Total long-term liabilities	<u>2,165,662</u>	<u>2,233,767</u>
Total liabilities	<u>5,392,019</u>	<u>6,793,073</u>
NET ASSETS:		
Net assets without donor restrictions:		
Undesignated	1,358,617	1,902,124
Board-designated	<u>1,727,024</u>	<u>1,727,024</u>
Total net assets without donor restrictions	3,085,641	3,629,148
Net assets with donor restrictions	<u>5,218,093</u>	<u>4,765,745</u>
Total net assets	<u>8,303,734</u>	<u>8,394,893</u>
Total liabilities and net assets	<u>\$ 13,695,753</u>	<u>\$ 15,187,966</u>

The accompanying notes to financial statements
 are an integral part of these statements.

UNITED WAY OF LONG ISLAND
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

	Without donor restrictions	With donor restrictions	Total
PUBLIC SUPPORT AND REVENUE:			
Public support -			
Long Island sources	\$ 1,735,607	\$ 3,689,320	\$ 5,424,927
Government contracts	10,124,507	-	10,124,507
Special events	1,007,091	-	1,007,091
Total funds raised	12,867,205	3,689,320	16,556,525
Funds raised with donor designation	(85,516)	-	(85,516)
Total public support	12,781,689	3,689,320	16,471,009
Provision for estimated collection losses at the UWLI level	(133,553)	-	(133,553)
Total public support, net	12,648,136	3,689,320	16,337,456
Revenue -			
Interest	58,018	14,694	72,712
Other	508,533	64,634	573,167
In-kind	332,656	-	332,656
Net assets released from restrictions	3,316,300	(3,316,300)	-
Total revenue	4,215,507	(3,236,972)	978,535
Total public support and revenue	16,863,643	452,348	17,315,991
EXPENSES:			
Program services -			
Ryan White Services	5,759,769	-	5,759,769
Housing Services	5,028,636	-	5,028,636
Community Impact	2,642,806	-	2,642,806
YouthBuild	539,769	-	539,769
Allocations and Contract Payments	811,494	-	811,494
Marketing and Communications	418,252	-	418,252
Total program services	15,200,726	-	15,200,726
Supporting and administrative services -			
Resource development	450,577	-	450,577
Management and general	1,755,847	-	1,755,847
Total supporting and administrative services	2,206,424	-	2,206,424
Total expenses	17,407,150	-	17,407,150
Change in net assets	(543,507)	452,348	(91,159)
NET ASSETS, BEGINNING OF YEAR	3,629,148	4,765,745	8,394,893
NET ASSETS, END OF YEAR	<u>\$ 3,085,641</u>	<u>\$ 5,218,093</u>	<u>\$ 8,303,734</u>

The accompanying notes to financial statements
are an integral part of this statement.

UNITED WAY OF LONG ISLAND
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	Without donor restrictions	With donor restrictions	Total
PUBLIC SUPPORT AND REVENUE:			
Public support -			
Long Island sources	\$ 2,202,490	\$ 3,282,724	\$ 5,485,214
Government contracts	11,081,191	-	11,081,191
Special events	1,043,152	-	1,043,152
Total funds raised	14,326,833	3,282,724	17,609,557
Funds raised with donor designation	<u>(147,907)</u>	<u>-</u>	<u>(147,907)</u>
Total public support	14,178,926	3,282,724	17,461,650
Provision for estimated collection losses at the UWLI level	<u>(124,069)</u>	<u>-</u>	<u>(124,069)</u>
Total public support, net	<u>14,054,857</u>	<u>3,282,724</u>	<u>17,337,581</u>
Revenue -			
Interest	70,997	17,888	88,885
Other	342,559	7,596	350,155
In-kind	433,901	-	433,901
Net assets released from restrictions	<u>3,191,375</u>	<u>(3,191,375)</u>	<u>-</u>
Total revenue	<u>4,038,832</u>	<u>(3,165,891)</u>	<u>872,941</u>
Total public support and revenue	<u>18,093,689</u>	<u>116,833</u>	<u>18,210,522</u>
EXPENSES:			
Program services -			
Ryan White Services	6,130,561	-	6,130,561
Housing Services	4,618,783	-	4,618,783
Community Impact	3,110,276	-	3,110,276
YouthBuild	813,358	-	813,358
Allocations and Contract Payments	761,844	-	761,844
Marketing and Communications	<u>317,571</u>	<u>-</u>	<u>317,571</u>
Total program services	<u>15,752,393</u>	<u>-</u>	<u>15,752,393</u>
Supporting and administrative services -			
Resource development	751,752	-	751,752
Management and general	<u>1,608,822</u>	<u>-</u>	<u>1,608,822</u>
Total supporting and administrative services	<u>2,360,574</u>	<u>-</u>	<u>2,360,574</u>
Total expenses	<u>18,112,967</u>	<u>-</u>	<u>18,112,967</u>
Change in net assets	<u>(19,278)</u>	<u>116,833</u>	<u>97,555</u>
NET ASSETS, BEGINNING OF YEAR	<u>3,648,426</u>	<u>4,648,912</u>	<u>8,297,338</u>
NET ASSETS, END OF YEAR	<u>\$ 3,629,148</u>	<u>\$ 4,765,745</u>	<u>\$ 8,394,893</u>

The accompanying notes to financial statements
are an integral part of this statement.

UNITED WAY OF LONG ISLAND
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program Services						Supporting and Administrative Services				Total Expenses
	Ryan White Services	Housing Services	Community Impact	YouthBuild	Allocations and Contract Payments	Marketing and Communications	Total	Resource Development	Management and General	Total	
Grants, contracts, and awards											
Community investments grants and awards	\$ -	\$ -	\$ -	\$ -	\$ 811,494	\$ -	\$ 811,494	\$ -	\$ -	\$ -	\$ 811,494
Contract services and other grants	4,896,627	3,285,267	2,186,805	122,646	-	20	10,491,365	-	-	-	10,491,365
Total grants, contracts, and awards	4,896,627	3,285,267	2,186,805	122,646	811,494	20	11,302,859	-	-	-	11,302,859
Personnel											
Salaries	560,997	1,307,481	16,390	144,547	-	263,293	2,292,708	61,384	879,736	941,120	3,233,828
Employee benefits and payroll taxes	153,541	101,121	160,164	75,857	-	41,192	531,875	65,740	213,170	278,910	810,785
Stipends	-	-	29,205	-	-	-	29,205	-	-	-	29,205
Total personnel	714,538	1,408,602	205,759	220,404	-	304,485	2,853,788	127,124	1,092,906	1,220,030	4,073,818
In-kind											
Occupancy	34,103	52,712	79,590	34,103	-	29,840	230,348	46,891	55,417	102,308	332,656
Publicity and events	25,694	46,877	39,288	84,022	-	9,072	204,953	17,847	30,893	48,740	253,693
Professional fees and insurance	701	2,368	11,470	645	-	34,098	49,282	133,654	3,919	137,573	186,855
Bank fees and interest	51,738	159,810	80,788	39,153	-	21,981	353,470	97,566	197,845	295,411	648,881
Conference and travel	-	35	-	-	-	-	35	-	126,231	126,231	126,266
Equipment rental, maintenance, and supplies	500	7,730	3,090	36	-	737	12,093	4,487	11,395	15,882	27,975
Information technology	3,438	6,246	3,458	1,868	-	1,013	16,023	2,386	26,237	28,623	44,646
Other	12,617	44,411	14,821	20,390	-	4,248	96,487	8,292	17,613	25,905	122,392
Subtotal	4,764	6,060	6,307	3,300	-	8,002	28,433	4,521	9,123	13,644	42,077
Amortization											
Depreciation	1,751	1,000	875	521	-	418	4,565	1,543	2,001	3,544	8,109
Total expenses	13,298	7,518	10,555	12,681	-	4,338	48,390	6,266	182,267	188,533	236,923
	\$ 5,759,769	\$ 5,028,636	\$ 2,642,806	\$ 539,769	\$ 811,494	\$ 418,252	\$ 15,200,726	\$ 450,577	\$ 1,755,847	\$ 2,206,424	\$ 17,407,150

The accompanying notes to financial statements
 are an integral part of this statement.

UNITED WAY OF LONG ISLAND
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services							Supporting and Administrative Services				Total Expenses
	Ryan White Services	Housing Services	Community Impact	YouthBuild	Allocations and Contract Payments	Marketing and Communications	Total	Resource Development	Management and General	Total		
Grants, contracts, and awards												
Community investments grants and awards	\$ -	\$ -	\$ -	\$ -	\$ 761,844	\$ -	\$ 761,844	\$ -	\$ -	\$ -	\$ 761,844	
Contract services and other grants	5,242,804	3,823,355	2,109,294	201,947	-	720	11,378,120	-	-	-	11,378,120	
Total grants, contracts, and awards	5,242,804	3,823,355	2,109,294	201,947	761,844	720	12,139,964	-	-	-	12,139,964	
Personnel												
Salaries	543,201	431,179	575,213	278,170	-	51,373	1,879,136	336,778	841,416	1,178,194	3,057,330	
Employee benefits and payroll taxes	152,407	86,384	152,729	82,948	-	41,396	515,864	54,846	217,816	272,662	788,526	
Stipends	-	-	19,854	-	-	-	19,854	-	-	-	19,854	
Total personnel	695,608	517,563	747,796	361,118	-	92,769	2,414,854	391,624	1,059,232	1,450,856	3,865,710	
In-kind												
In-kind	49,123	36,842	108,458	49,124	-	42,983	286,530	67,545	79,826	147,371	433,901	
Occupancy	28,739	26,221	44,300	120,371	-	10,362	229,993	18,530	41,546	60,076	290,069	
Publicity and events	358	2,019	8,741	401	-	18,878	30,397	138,888	3,405	142,293	172,690	
Professional fees and insurance	55,203	146,934	41,944	35,342	-	124,200	403,623	100,547	201,504	302,051	705,674	
Bank fees and interest	-	105	-	-	-	-	105	-	133,286	133,286	133,391	
Conference and travel	1,268	890	4,863	188	-	149	7,358	2,037	5,502	7,539	14,897	
Equipment rental, maintenance, and supplies	810	4,444	1,029	1,263	-	751	8,297	493	23,954	24,447	32,744	
Information technology	18,179	29,289	14,364	19,243	-	4,258	85,333	7,677	14,705	22,382	107,715	
Other	5,452	8,214	4,769	4,061	-	11,117	33,613	5,624	7,801	13,425	47,038	
Subtotal	6,097,544	4,595,876	3,085,558	793,058	761,844	306,187	15,640,067	732,965	1,570,761	2,303,726	17,943,793	
Amortization												
Amortization	1,751	1,000	875	521	-	418	4,565	1,543	2,001	3,544	8,109	
Depreciation	31,266	21,907	23,843	19,779	-	10,966	107,761	17,244	36,060	53,304	161,065	
Total expenses	\$ 6,130,561	\$ 4,618,783	\$ 3,110,276	\$ 813,358	\$ 761,844	\$ 317,571	\$ 15,752,393	\$ 751,752	\$ 1,608,822	\$ 2,360,574	\$ 18,112,967	

The accompanying notes to financial statements
 are an integral part of this statement.

**UNITED WAY OF LONG ISLAND
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (91,159)	\$ 97,555
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	236,923	161,065
Amortization	8,109	8,109
Provision for collection loss, net of collections	9,484	(220,851)
Net change in operating lease liabilities	5,125	6,480
Changes in assets and liabilities:		
(Increase) decrease in pledges and other receivables	465,878	(249,732)
Increase in loan receivables	(41,307)	-
Decrease in prepaid expenses	1,522	12,905
Increase in accounts payable and accrued expenses	344,516	90,695
Increase (decrease) in government advances	(1,570,801)	966,404
Decrease in designations payable	(28,012)	(50,454)
Decrease in deferred revenue	<u>(81,549)</u>	<u>(436,459)</u>
Net cash provided by (used in) operating activities	<u>(741,271)</u>	<u>385,717</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(1,062,970)	(432,870)
Sale of investments	796,515	305,781
Sale of property held for sale	415,000	-
Additions to property held for sale, net	(18,508)	(213,261)
Purchase of fixed assets	<u>(685,689)</u>	<u>(1,392,643)</u>
Net cash used in investing activities	<u>(555,652)</u>	<u>(1,732,993)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on mortgage payable	<u>(70,571)</u>	<u>(68,252)</u>
Net cash used in financing activities	<u>(70,571)</u>	<u>(68,252)</u>
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(1,367,494)	(1,415,528)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR	<u>7,320,230</u>	<u>8,735,758</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR	<u>\$ 5,952,736</u>	<u>\$ 7,320,230</u>
SUPPLEMENTAL DISCLOSURES:		
Cash paid for interest	<u>\$ 77,175</u>	<u>\$ 79,494</u>
Initial recognition of right-of-use assets obtained via lease liabilities	<u>\$ 11,333</u>	<u>\$ -</u>
COMPONENTS OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH ON THE STATEMENTS OF FINANCIAL POSITION:		
Cash and cash equivalents	\$ 734,643	\$ 2,554,485
Restricted cash	<u>5,218,093</u>	<u>4,765,745</u>
TOTAL CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	<u>\$ 5,952,736</u>	<u>\$ 7,320,230</u>

The accompanying notes to financial statements
are an integral part of these statements.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

(1) Organization

The United Way of Long Island (“UWLI”) is a not-for-profit organization, together with community partners, committed to changing lives on Long Island by investing in: improving access to health care, supporting children and youth, reducing hunger and assisting neighbors in need. UWLI receives substantially all of its support from government contracts and corporate, employee-group and community solicitations. UWLI is exempt from Federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and a similar provision of the New York State income tax law.

(2) Summary of significant accounting policies:

The accompanying financial statements include the assets, liabilities, revenues and expenses of UWLI which are presented under the accrual basis of accounting. The following is a summary of significant accounting policies followed by UWLI:

Financial statement presentation -

The accompanying financial statements include the accounts of UWLI's programs, administration and fundraising. UWLI presents its financial statements in accordance with U.S. generally accepted accounting principles (“GAAP”) which require UWLI's financial statements to distinguish between those with and without donor restricted net assets and changes in net assets. UWLI's net assets consist of the following:

Without donor restrictions - net assets of UWLI which have not been restricted by an outside donor or by law and are therefore available for use in carrying out the operations of UWLI. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.

With donor restrictions - net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity, but allows for the expenditure of net investment income and gains earned on the corpus for either specified or unspecified purposes.

As required by U.S. generally accepted accounting principles, UWLI has also presented Statements of Cash Flows for the years ended June 30, 2025 and 2024.

For perpetual restricted net assets, UWLI follows GAAP regarding Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) and Enhanced Disclosures for All Endowed Funds.

Cash and cash equivalents -

UWLI considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Included in cash and cash equivalents at June 30, 2025 are designated amounts to other agencies of \$53,316, amounts set aside for specific purposes or programs of \$5,218,093 and amounts available for general purposes of \$681,327.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Investments -

Investments are stated at fair value for the periods presented. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") on fair value measurements also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring 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 measurements involving significant unobservable inputs (Level 3 measurements).

Pledges receivable -

Pledges receivable as of June 30, 2025 and 2024 are comprised of unconditional promises to give by donors. As of June 30, 2025, these pledges are expected to be paid within the upcoming year and are recorded at net realizable value. An allowance for doubtful accounts is based on an analysis of expected collection rates determined from past history. As of June 30, 2025 and 2024, UWLI recognized an allowance for doubtful accounts of \$133,553 and \$124,069, respectively.

Liquidity considerations -

Quantitative -

As of June 30, 2025, UWLI has \$3,881,648 of financial assets available to meet cash needs for program and supporting services expenditures within one year of the Statement of Financial Position date. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for expenditures within one year of the Statement of Financial Position date.

Qualitative -

As a part of UWLI's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. UWLI has a goal to maintain financial assets, which consist of cash and cash equivalents, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$2,800,000.

Fixed assets -

Fixed assets are capitalized at cost or, if donated, at fair market value as of the date of receipt. Depreciation and amortization are computed by using the straight-line method over the estimated useful lives ranging from three to five years for machinery, equipment, furniture and fixtures and forty years for buildings and related improvements.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Property held for sale -

Property acquired and/or donated for rehabilitation and held for sale is valued at the lower of cost or fair value at the date of donation. The net carrying amount of property held for sale is presented within the noncurrent asset section of the Statements of Financial Position.

Right-of-use assets and lease liabilities -

UWLI complies with the provisions of FASB Accounting Standards Update ("ASU") No. 2016-02, Leases ("Topic 842"). Any leases entered into during the year were required to be recognized and measured. In applying Topic 842, the Organization made an accounting policy election not to recognize the right-of-use assets and lease liabilities relating to short-term leases.

UWLI determines if an arrangement is or contains a lease at inception. UWLI's operating lease arrangements are comprised of equipment and vehicle leases. Right-of-use assets represent UWLI's right to use the underlying assets for the lease terms and lease liabilities represent UWLI's obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the lease payments over the lease terms. As UWLI's leases do not provide an implicit rate and the implicit rate is not readily determinable, UWLI estimates its incremental borrowing rate based on the information available at the commencement date in determining the present value of the lease payments.

UWLI reconciles the operating lease expenses with the operating lease payments by presenting the amortization of the right-of-use assets and the change in the lease liabilities in a single line item within the adjustments to reconcile change in net assets to net cash provided by operating activities in the accompanying Statements of Cash Flows.

Impairment of long-lived assets and long-lived assets to be disposed of -

UWLI follows the provisions of the FASB ASC on accounting for the impairment or disposal of long-lived assets. It requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that 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 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 exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. As of June 30, 2025, UWLI reported contributed property to be held for sale, of which the carrying amount exceeded the fair value of the assets by \$78,852. As such, the amount of property held for sale on the Statements of Financial Position reflects the impairment as of June 30, 2025.

Conditional asset retirement obligations -

The FASB ASC on accounting for conditional asset retirement obligations requires entities to recognize a liability for the fair value of a legal obligation to perform an asset retirement activity, even though uncertainty exists about the timing and/or method of settlement, if and when the fair value of the liability can be reasonably estimated. As of June 30, 2025 and 2024, UWLI has met the provisions of and is in compliance with these requirements and no obligation currently exists.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Allocations payable to agencies -

Allocations to the various agencies are approved by the Board of Directors each December for the subsequent calendar year and are recorded as an expense and liability at that time.

Designations payable -

Donors to a campaign may designate all or part of their contributions to specific agencies. UWLI honors designations made to any agency. In accordance with FASB ASC on the transfer of assets to a not-for-profit organization or charitable trust that raises or holds contributions for others, these specific designations are not considered to be part of the allocations to United Way agencies and are deducted from the current campaign results available to UWLI.

Accrued paid time off -

Each year, in lieu of sick days, vacation days or floating holidays, each full-time employee is entitled to earn paid-time-off ("PTO"). This time will be accrued based on length of employment and may be used as it is earned. Starting with new hires, a full-time employee will begin accruing a maximum of 20 PTO days per year. PTO is increased to 25 days per year for an employee with three to seven years tenure and capped at 30 days for full-time employees with greater than seven years employment. Each year, unused PTO not used by calendar year end will be forfeited. Should an employee retire or terminate before fully using their PTO, the equivalent of that time's salary will be paid out.

Revenue recognition -

The Organization complies with and accounts for its revenues in accordance with FASB ASC 958, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* and ASC 606, *Revenue from Contracts with Customers*.

The following are the significant revenue recognition accounting policies of UWLI:

Government contracts - Revenue under government contracts are recognized when earned. Revenue is earned when performance obligations, as defined in each contract, are fulfilled. Funds received but not yet earned are shown as deferred revenue. Expenditures under contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, UWLI will record such disallowance at the time the final assessment is made.

Grants and contributions - Grants and contributions are recognized as income when received and are considered to be available for unrestricted use unless specifically restricted by the donor. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from restriction. Conditional contributions are accounted for as a liability or are not recognized as revenue initially, until the barriers to entitlement are overcome, at which point a transaction is recognized as unconditional and classified as either net assets with donor restrictions, or net assets without donor restrictions.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Fundraising income - The portion of fundraising revenue that relates to the commensurate value the attendee receives in return is recognized when the related events are held, and performance obligations are met.

In-kind donated nonfinancial assets -

In accordance with FASB ASU No. 2020-07, *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets* ("Topic 958") in-kind donated land, buildings, equipment and other noncash donations are recorded as in-kind at their fair market value at their date of donation. UWLI reports the in-kind donations as unrestricted support, unless explicit donor stipulations specify how the in-kind donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets must be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, UWLI reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. See Note 10 for more information.

In-kind donated services that do not require specialized skills or enhance nonfinancial assets are not recorded in the accompanying financial statements because no objective basis is available to measure the value of such services. A substantial number of volunteers have donated significant amounts of their time to UWLI's program services and its fundraising campaigns, the value of which is not recorded in the accompanying financial statements.

Functional expenses -

Expenses are recognized when incurred. The Statements of Functional Expenses report certain categories of expenses that are attributable to one or more program or supporting functions of UWLI. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Direct program expenses are reported in their respective functional categories. The significant expenses that are allocated include: salaries, employee benefits, payroll taxes and professional fees which are allocated on the basis of estimates of time and effort. Depreciation, amortization and rent are allocated on the basis of square footage and use, and all other expenses are allocated on a systematic and rational basis.

Income taxes -

UWLI qualifies as a tax-exempt not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and applicable New York State tax laws. Accordingly, no provision for federal or state income taxes is required.

Uncertainty in income taxes -

UWLI recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that UWLI had no uncertain tax positions that would require financial statement recognition. UWLI is no longer subject to examination by the applicable taxing jurisdictions for tax years prior to 2021.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

The use of estimates in the preparation of financial statements -

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Significant estimates include pledges and other receivables valuation allowances, useful life of fixed assets and certain accrued expenses. Actual results may differ from those estimates.

Reclassifications -

Certain reclassifications of prior year balances on the Statements of Financial Position have been made to conform to the current year presentation. These reclassifications had no effect on the change in net assets for the year ended June 30, 2024.

(3) Fair value measurement

The FASB *Fair Value Measurement* standard clarifies the definition of fair value for financial reporting, establishes framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. UWLI has adopted the standard for its financial assets and liabilities measured on a recurring and nonrecurring basis.

Fair Value Measurement defines fair value as the amount that would be received from the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, i.e. an exit price. The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reported entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

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.

The following is a description of the valuation methodologies used for assets measured at fair value. UWLI did not hold any Level 2 or 3 investments. There have been no changes in the methodologies used as of June 30, 2025 and 2024.

Fixed income is measured using quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although UWLI believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following tables represent UWLI's fair value hierarchy for investments as of June 30, 2025 and 2024:

	2025			
	Fair value	Level 1	Level 2	Level 3
Fixed income	<u>\$ 393,544</u>	<u>\$ 393,544</u>	<u>\$ -</u>	<u>\$ -</u>
2024				
	Fair value	Level 1	Level 2	Level 3
Fixed income	<u>\$ 127,089</u>	<u>\$ 127,089</u>	<u>\$ -</u>	<u>\$ -</u>

(4) Fixed assets

Fixed assets as of June 30, 2025 and 2024 are comprised of the following:

	2025	2024
Land	\$ 373,761	\$ 373,761
Buildings and improvements	6,277,925	5,615,126
Machinery, equipment, furniture and fixtures	<u>172,818</u>	<u>149,928</u>
	6,824,504	6,138,815
Less: accumulated depreciation	<u>2,799,677</u>	<u>2,562,754</u>
	<u><u>\$ 4,024,827</u></u>	<u><u>\$ 3,576,061</u></u>

Depreciation expense for the years ended June 30, 2025 and 2024 was \$236,923 and \$161,065, respectively.

(5) Property held for sale

Property held for sale consists of two (2) properties donated by The Suffolk County Landbank Corporation, at the addresses of 54 Adams Road, Central Islip, NY ("Adams") and 95 Jamaica Avenue, Wyandanch, NY ("Jamaica") during fiscal year ended June 30, 2022. The bargain sales agreements were agreed upon under the conditions that UWLI would renovate both properties and UWLI would sell the renovated properties in accordance with certain affordable housing conditions. On the date of donation, the two properties were valued at \$616,500 based on the sales agreements however UWLI deemed them to be overvalued as both properties must be demolished and rebuilt. FASB ASC 360, *Property, Plant and Equipment*, states that these properties should be valued at fair value as of the date of donation. Through June 30, 2025, the UWLI has incurred total renovation costs of \$763,639 offset by total impairments of \$322,800 related to Jamaica and total renovation costs of \$215,152 offset by total impairments \$78,852 related to Adams. Jamaica was sold on January 13, 2025 for \$415,000 and the UWLI recognized a loss of approximately \$28,000 on the sale.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

(6) Leases

UWLI is obligated under various operating leases for equipment and vehicles expiring through 2031.

UWLI evaluated current contracts to determine which met the criteria of a lease. The right-of-use ("ROU") assets represent UWLI's right to use underlying assets for the lease term, and the lease liabilities represent UWLI's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. UWLI has made an accounting policy election to use its incremental borrowing rate to discount future lease payments. The weighted average incremental borrowing rate applied to calculate lease liabilities was 5.11%.

As of June 30, 2025, the weighted average remaining lease term for UWLI's operating leases was approximately 3 years. Cash paid for the operating leases for the year ended June 30, 2025 was \$17,040. There were no noncash investing and financing transactions related to leasing.

Future maturities of operating lease liabilities are presented in the following table, for the fiscal years ending June 30:

For the Fiscal Year
Ending June 30,

2026	\$	16,346
2027		10,380
2028		9,316
2029		2,616
2030		2,616
Therefore		218
 Total		41,492
 Less: discount to present value		(3,637)
 Total lease liabilities	\$	37,855

(7) Long-term debt

On December 16, 2021, UWLI entered into a mortgage agreement with a bank for \$2,500,000. The mortgage is payable over 10 years with an initial maturity date of January 2032, but the mortgage allows for an extension through January 2047, if certain terms are met. The current interest rate is 3.30% per annum through January 2032, and subsequently, the interest rate will be the greater of 3.30% per annum or 1.75% basis points in excess of the U.S. treasury rate through January 2047. At no time can the interest rate be less than 3.30% per annum. The monthly payment of principal and interest is \$12,312. As of June 30, 2025, the balance of the mortgage payable was \$2,215,354.

UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Long-term debt interest expense for 2025 and 2024 was comprised of the following:

	<u>2025</u>	<u>2024</u>
Mortgage	\$ 77,175	\$ 79,494
Plus: amortization of issuance costs	<u>8,109</u>	<u>8,109</u>
	<u><u>\$ 85,284</u></u>	<u><u>\$ 87,603</u></u>

Future maturities represent actual obligations of long-term debt and do not include the deferred bond issuance costs of \$52,705 netted against long-term debt on the Statements of Financial Position. As of June 30, 2025, future maturities are estimated as follows:

<u>Year ending June 30,</u>	
2026	\$ 72,969
2027	75,448
2028	77,820
2029	80,655
2030	83,396
Thereafter	<u>1,877,771</u>
	2,268,059
Less: issuance costs	<u>(52,705)</u>
	<u><u>\$ 2,215,354</u></u>

UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(8) Net assets

Net assets without restrictions and net assets with restrictions by purpose as of June 30, 2025 and 2024 are comprised of the following:

	2025	2024
Without donor restrictions -		
Undesignated	\$ 1,358,617	\$ 1,902,124
Board designated -		
Building fund	428,779	428,779
Fixed assets	<u>1,298,245</u>	<u>1,298,245</u>
Total without donor restrictions	<u>3,085,641</u>	<u>3,629,148</u>
With donor restrictions -		
Workforce Development and Vocational Training		
YouthBuild Scholarship Fund	1,466,762	1,268,310
Bank of America - Workforce Dev. Solar Program	454,290	484,141
Haugland Powering People & Progress Partner	75,000	-
BOA Summer Youth	48,462	31,669
Community Health and Stability		
VetsBuild	458,956	405,456
Siemer Institute Family Success Initiative	218,504	206,530
Everyone Rides Nice, Inc.	186,706	236,702
Missions United	180,862	181,328
You Call the Shots	120,221	113,988
Safe at Home - Seniors	82,731	84,544
Family Support Project Anonymous	77,497	-
Mother Cabrini Health Foundation	72,821	-
Project Warmth	72,454	39,855
Nestle Health Science	67,509	45,544
Income Stability	64,432	62,585
16 Grant Pl. Patchogue - Island Outreach	48,533	-
COVID 19 Vaccine Program	39,450	39,450
Access to Healthcare	25,147	20,203
Homeless Prevention	25,000	25,000
World AIDS Day Consumer Fund	12,172	15,964
UWW LYFT Program	9,876	17,144
United Together Response COVID Fund	1,738	18,859
Woman United	1,005	-
Weinber Foundation Safe at Home Mod Program	-	49,370
Education		
Dreams for Youth	268,626	223,456
Education and Scholarships	178,340	197,563
Schaufeld Family Fund	84,241	153,883
Stuff-A-Bus	58,432	42,975
LIPA - DREAMS for Youth	50,000	-
Anthony Stupore Fund	44,820	39,010
Pat Michaels Fund	31,709	30,765
Chin Ying Youth Scholarship Fund	1,400	42,525
Endowment		
Ruth D. and Byron Miller Fund	176,036	177,197
Cammy Belser Fund	134,688	125,584
Grace Scholarship Endowment	100,000	100,000
David Schechter Fund	88,022	86,407
Frank L. Regnante Memorial Fund	51,825	46,440
The Robert B. Read Memorial Fund	34,687	34,337
Thomas F. Cruso Memorial Fund	30,160	30,000
Eugene Portella Fund	24,461	24,461
Scott Martella Fund	24,287	28,444
Lorraine Aycock Fund	11,171	13,000
Sal LaFonte Fund	6,484	6,400
Sandy Olivia Memorial Fund	3,575	-
Disaster Relief		
Disaster Relief	5,001	656
Sandy Relief	-	16,000
Total with donor restrictions	<u>5,218,093</u>	<u>4,765,745</u>
Total net assets	<u>\$ 8,303,734</u>	<u>\$ 8,394,893</u>

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or applicable law requires UWLI to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2025 and 2024.

UWLI has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to protect the original value of the gift.

UPMIFA requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, UWLI classifies as donor restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

(9) Federal grants

Effective July 1, 1997, UWLI was named the lead not-for-profit agency to administer three federal grants (the Ryan White Funds), which address the HIV/AIDS epidemic. UWLI acts as the administrator and as a pass-through entity for these grants. As of June 30, 2025 and 2024, related grants receivables were \$1,234,369 and \$1,192,867, respectively.

(10) In-kind donations

In-kind donations as of June 30, 2025 and 2024 are comprised of the following:

	<u>2025</u>	<u>2024</u>
Services	\$ 154,509	\$ 79,689
Marketing and communications	128,397	137,632
Supplies	49,750	191,431
Food	-	25,149
	<hr/> <u>\$ 332,656</u>	<hr/> <u>\$ 433,901</u>

UWLI recognized in-kind donations within revenue. Unless otherwise noted, in-kind donations did not have donor-imposed restrictions.

In-kind donated marketing and communications comprise of marketing services, marketing products and advertising space for UWLI programs.

In-kind donated services comprise of professional services including attorneys and accountants for various administrative matters and services provided for the Youthbuild program and training.

In-kind donated medical supplies were utilized in community impact services.

**UNITED WAY OF LONG ISLAND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

(11) Retirement plans

UWLI has a defined contribution plan for substantially all employees. UWLI contributes a maximum of seven percent of each eligible employee's salary. Aggregate contributions for fiscal 2025 and 2024 were \$165,585 and \$142,180, respectively.

(12) Rental income

UWLI has signed four agreements to lease a portion of its office space. Future minimum rental income associated with these arrangements in the subsequent year will be approximately \$300,000. Rental income for years ended June 30, 2025 and 2024 was \$314,791 and \$311,277, respectively.

(13) Commitments and contingencies:

Concentrations of credit risk -

UWLI maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. UWLI has not experienced any losses in such accounts. As of June 30, 2025 and 2024, cash in excess of federally insured limits amounted to \$4,535,634 and \$5,432,636, respectively.

(14) Subsequent events

UWLI has evaluated subsequent events through December 9, 2025, which is the date the financial statements were available to be issued. Based on this evaluation, UWLI has determined there are no matters which require disclosure in the financial statements.