

CAPITAL AREA UNITED WAY
Baton Rouge, Louisiana

FINANCIAL REPORT

June 30, 2025 and 2024

CAPITAL AREA UNITED WAY

Baton Rouge, Louisiana

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June 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Capital Area United Way

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Capital Area United Way (the "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 each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Capital Area United Way as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for each of 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"). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The 2025 Statement of Community Allocations, Grants, and Designations on pages 20 through 22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
November 17, 2025



CAPITAL AREA UNITED WAY

Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION

June 30, 2025 and 2024

	ASSETS	
	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 1,476,029	\$ 1,602,570
Certificates of deposit	-	398,958
Investments	9,375,460	8,275,937
Campaign pledges receivable, net of allowance of \$714,441 and \$597,788, respectively	1,680,843	1,915,736
Building lease receivable, net of discount of \$77,719 and \$104,259, respectively	483,281	558,741
Other receivables	38,000	185
Prepaid expenses and other current assets	181,519	27,634
Property and equipment, net	<u>23,872</u>	<u>28,015</u>
 Total assets	 <u>\$ 13,259,004</u>	 <u>\$ 12,807,776</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Designations payable	\$ 275,097	\$ 331,892
Accounts payable and accrued expenses	108,339	122,623
Deferred grant revenue	<u>112,026</u>	<u>106,919</u>
 Total liabilities	 <u>495,462</u>	 <u>561,434</u>
 NET ASSETS		
Without donor restrictions	7,364,612	6,548,458
With donor restrictions	<u>5,398,930</u>	<u>5,697,884</u>
 Total net assets	 <u>12,763,542</u>	 <u>12,246,342</u>
 Total liabilities and net assets	 <u>\$ 13,259,004</u>	 <u>\$ 12,807,776</u>

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

CAPITAL AREA UNITED WAY
Baton Rouge, Louisiana

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2025 and 2024

	2025			2024		
	Without Donor Restriction	With Donor Restriction	Totals	Without Donor Restriction	With Donor Restriction	Totals
REVENUE AND SUPPORT						
Annual campaign, net						
Current year campaign	\$ -	\$ 5,154,735	\$ 5,154,735	\$ -	\$ 4,963,874	\$ 4,963,874
Prior year campaign	279,375	-	279,375	302,866	-	302,866
Less: donor designations	-	(537,580)	(537,580)	-	(764,321)	(764,321)
Less: estimated credit loss	(216,666)	(235,000)	(451,666)	(198,788)	(219,000)	(417,788)
	62,709	4,382,155	4,444,864	104,078	3,980,553	4,084,631
Future campaigns, net	-	42,640	42,640	-	79,077	79,077
Total annual campaigns, net	62,709	4,424,795	4,487,504	104,078	4,059,630	4,163,708
Program grants	444,139	-	444,139	383,557	-	383,557
Donated goods and services	15,372	-	15,372	41,948	-	41,948
Sponsorship and special events	539,293	-	539,293	476,529	-	476,529
Investment income, net	734,706	-	734,706	351,605	-	351,605
Federal grant - Employee Retention Tax Credit	132,741	-	132,741	-	-	-
Other revenues	158,809	-	158,809	143,024	-	143,024
	2,087,769	4,424,795	6,512,564	1,500,741	4,059,630	5,560,371
Net assets released from purpose restrictions	4,723,749	(4,723,749)	-	3,444,227	(3,444,227)	-
Total revenues and support	6,811,518	(298,954)	6,512,564	4,944,968	615,403	5,560,371
EXPENSES						
Program services:						
Gross funds awarded	2,744,647	-	2,744,647	3,193,630	-	3,193,630
Less: donor designations	(165,675)	-	(165,675)	(404,992)	-	(404,992)
	2,578,972	-	2,578,972	2,788,638	-	2,788,638
Community impact programs	1,830,375	-	1,830,375	1,476,572	-	1,476,572
Total program services	4,409,347	-	4,409,347	4,265,210	-	4,265,210
Management and general	838,154	-	838,154	841,012	-	841,012
Fundraising	735,251	-	735,251	839,697	-	839,697
Total expenses	5,982,752	-	5,982,752	5,945,919	-	5,945,919
Operating change in net assets	828,766	(298,954)	529,812	(1,000,951)	615,403	(385,548)
NONOPERATING						
Loss on disposal of property and equipment	(12,612)	-	(12,612)	-	-	-
Change in net assets	816,154	(298,954)	517,200	(1,000,951)	615,403	(385,548)
NET ASSETS						
Beginning of year	6,548,458	5,697,884	12,246,342	7,549,409	5,082,481	12,631,890
End of year	\$ 7,364,612	\$ 5,398,930	\$ 12,763,542	\$ 6,548,458	\$ 5,697,884	\$ 12,246,342

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

CAPITAL AREA UNITED WAY

Baton Rouge, Louisiana

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 517,200	\$ (385,548)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	13,061	16,749
Amortization	75,460	72,038
Provision for credit losses	451,666	417,788
Realized and unrealized gain on investments	(519,973)	(318,227)
Loss on disposal of property and equipment	12,612	-
Change in operating assets and liabilities:		
Campaign pledges and other receivables	(254,588)	(710,496)
Prepaid expenses and other assets	(153,885)	7,448
Designations payable	(56,795)	117,320
Accounts payable and other liabilities	<u>(9,177)</u>	<u>31,411</u>
Net cash provided by (used in) operating activities	<u>75,581</u>	<u>(751,517)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of investments	54,638	2,732,521
Purchases of investments and reinvestment of related earnings	(653,151)	(1,537,898)
Redemption of certificates of deposits	417,921	-
Purchase of property and equipment	<u>(21,530)</u>	<u>(1,371)</u>
Net cash provided by (used in) investing activities	<u>(202,122)</u>	<u>1,193,252</u>
(Decrease) increase in cash and cash equivalents	(126,541)	441,735
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,602,570</u>	<u>1,160,835</u>
End of year	<u>\$ 1,476,029</u>	<u>\$ 1,602,570</u>

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

CAPITAL AREA UNITED WAY
 Baton Rouge, Louisiana

STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended June 30, 2025

	Community Impact	Management and General	Fundraising	Total
Community impact funds	\$ 2,744,647	\$ -	\$ -	\$ 2,744,647
Less: donor designations	(165,675)	-	-	(165,675)
	<u>2,578,972</u>	<u>-</u>	<u>-</u>	<u>2,578,972</u>
Salaries and wages	762,355	304,254	321,563	1,388,172
Employee benefits	153,147	123,126	49,236	325,509
Payroll taxes	39,233	32,203	29,214	100,650
Program development	348,166	15,340	131,168	494,674
Professional fees	291,197	58,358	48,557	398,112
Occupancy	52,343	131,829	60,296	244,468
Equipment rental and repairs	50,939	61,349	44,190	156,478
UWA & LAUW dues	103,493	-	-	103,493
Office supplies and postage	13,675	77,863	8,483	100,021
Dues and subscriptions	2,057	9,825	14,612	26,494
Travel	12,296	4,176	7,572	24,044
Donated goods and services	-	-	15,372	15,372
Conferences	1,474	6,770	4,988	13,232
Depreciation	-	13,061	-	13,061
	<u>1,830,375</u>	<u>838,154</u>	<u>735,251</u>	<u>3,403,780</u>
Total expenses	<u>\$ 4,409,347</u>	<u>\$ 838,154</u>	<u>\$ 735,251</u>	<u>\$ 5,982,752</u>

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

CAPITAL AREA UNITED WAY
Baton Rouge, Louisiana

STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended June 30, 2024

	Community Impact	Management and General	Fundraising	Total
Community impact funds	\$ 3,193,630	\$ -	\$ -	\$ 3,193,630
Less: donor designations	(404,992)	-	-	(404,992)
	2,788,638	-	-	2,788,638
Salaries and wages	655,730	387,406	312,087	1,355,223
Employee benefits	144,625	76,174	69,046	289,845
Payroll taxes	47,524	26,289	23,001	96,814
Program development	171,410	64,682	178,349	414,441
Professional fees	283,188	40,665	77,381	401,234
Occupancy	22,581	102,193	47,242	172,016
Equipment rental and repairs	55,380	54,022	43,663	153,065
Office supplies and postage	7,957	54,989	16,114	79,060
UWA & LAUW dues	76,134	-	-	76,134
Donated goods and services	-	-	41,948	41,948
Travel	6,520	4,151	23,064	33,735
Depreciation	-	16,749	-	16,749
Dues and subscriptions	1,853	8,936	3,340	14,129
Conferences	3,670	4,756	4,462	12,888
	1,476,572	841,012	839,697	3,157,281
Total expenses	\$ 4,265,210	\$ 841,012	\$ 839,697	\$ 5,945,919

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

CAPITAL AREA UNITED WAY

Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Capital Area United Way (CAUW or the Organization) is a nonprofit organization which serves the parishes of East Baton Rouge, Ascension, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, St. James, West Baton Rouge, and West Feliciana. Each fall, the CAUW conducts an annual united fundraising campaign, evaluates needed community services, and distributes funds, primarily in the following year, to various organizations that provide other community services in addition to providing program services in conjunction with these efforts.

The accounting and reporting policies of the Organization conform to the accounting principles generally accepted in the United States of America and the prevailing practices within the not-for-profit industry. The significant accounting policies used by the Organization in preparing and presenting its financial statements are summarized as follows:

Basis of presentation

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, which requires the Organization to report financial information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions - net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization did not have net assets where the donor stipulated funds were to be held in perpetuity at either June 30, 2025 or 2024.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

For purposes of financial statement presentation, the Organization considers all highly liquid investments with maturities of ninety days or less at the date of acquisition to be cash equivalents.

Cash, cash equivalents and certificates of deposit include funds held in certificates of deposit and money market funds at financial institutions which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk with respect to cash and cash equivalents or certificates of deposit.

Certificates of deposit

Certificates of deposit are recorded at cost plus accrued interest, which approximates fair value. The Organization invests funds in certificates of deposit which are exposed to market and credit risks. Therefore, the Organization's certificates of deposit may be subject to significant fluctuations in fair value. As a result, the certificates of deposit balances reported on the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

Investments and investment income

Investments in equity securities with readily determinable fair values and all investments are recorded at fair value based on quoted market prices. For those investments for which quoted market prices are unavailable, management estimates fair value based on information provided by the fund managers or the general partners. Unrealized gains and losses are recorded in current year operations as increases or decreases in net assets without donor restrictions. Dividend, interest, and other investment income are recorded as increases in net assets without donor restrictions unless the use is restricted by the donor.

Donated investments are recorded at market value at the date of receipt, which is then treated as cost. Realized gains and losses on dispositions are based on the net proceeds and the adjusted cost bases of the securities sold, using the specific identification method, and these realized gains and losses flow through the Organization's current operations.

Property and equipment

Property and equipment are stated at cost. Donated property is recorded at its estimated fair value on the date of receipt, which is then treated as cost. Additions, renewals, and betterments that increase the values or extend the lives of assets are capitalized. Maintenance and repair expenditures are expensed as incurred.

Depreciation has been provided using the straight-line method over the estimated useful lives of the related assets, as follows:

Furniture, fixtures, and office equipment	5 years
Leasehold improvements	10 - 25 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment (Continued)

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gains or losses are recognized in the Organization's current operations.

Promises to give, contributions, sponsorships and related revenue recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional or when cash is received. Unconditional contributions with donor restrictions are reported as increases in net assets with donor restrictions and are internally tracked as purpose restricted or held in perpetuity restricted, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are released to net assets without donor restrictions.

Unconditional pledges receivable are recognized as revenue in the period received. Pledges receivable are recorded at net realizable value if they are expected to be collected in one year and at fair value if they are expected to be collected in more than one year. Conditional pledges are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Allowances for uncollectable pledges are established based on prior collection experience and current economic factors. Annual fall campaign results are reduced by pledges collected on behalf of others or pledged to a specific organization (i.e., donor designation) and by a provision for uncollectible pledges. The net campaign results are reflected as net assets with donor restrictions since the amounts are generally collected over time and disbursed during subsequent periods.

Grants receive the same accounting treatment as contributions if management determines there are no donor-imposed conditions. Revenues from grants that are determined to have donor-imposed conditions are recognized as the related expenses are incurred, with unexpended funds recorded as refundable advances.

Contributed services and donated materials

The Organization recognizes revenue for certain services received at the estimated fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased, if not provided by donation.

Allocated expenses

Personnel expenses are allocated between program and supporting services based upon the results of time studies. Fundraising expenses related to the annual campaign are conducted throughout the year and are expensed when incurred. Management and general expenses include those expenses not directly identifiable with a specific function but provide for the overall support and direction of the Organization. All other expenses are directly related to the function in which they are classified.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

Income tax status

The Organization is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Internal Revenue Code. Accordingly, no provision for income taxes is necessary.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain tax position that would more likely than not be substantiated upon examination. Management has analyzed the tax positions taken by the Organization and has concluded that as of June 30, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress.

Advertising costs

Advertising costs, which are included in campaign expenses, are expensed as incurred and amounted to \$63,648 and \$61,423 for the years ended June 30, 2025 and 2024, respectively.

Reclassification

Certain amounts in the 2024 financial statements have been reclassified to conform to the 2025 financial statement presentation.

NOTE 2 - CAMPAIGN PLEDGES RECEIVABLE

Campaign pledges receivable, all of which are considered current in nature, were comprised of the following at June 30, 2025 and 2024:

	2025	2024
United Way:		
2025 Campaign	\$ 1,960	\$ -
2024 Campaign	1,731,583	38,588
2023 Campaign and prior	479,441	2,279,488
United We Thrive	182,300	195,448
	2,395,284	2,513,524
Less allowance for uncollectible pledges	(714,441)	(597,788)
	\$ 1,680,843	\$ 1,915,736

NOTE 3 - BUILDING LEASE RECEIVABLE

During the year ended June 30, 2006, the Organization received a donation of a 25-year lease for its office building to be occupied rent-free through December 31, 2030. At the time of the lease donation, the Organization estimated that the rental rates for comparable facilities would be \$8,500 per month.

At the time of the donation, a building lease receivable and corresponding contribution were recorded equal to the present value of the monthly rentals (assuming a discount rate of 4.75% in 2025). The annual rental expense of \$102,000 was recorded, net of the amortized discount, resulting in net office rent expense of \$75,460 and \$72,038 for the years ended June 30, 2025 and 2024, respectively.

Rent expense expected to be recorded in future years, in accordance with the lease agreement, is as follows:

Year ending June 30th	Lease Amount	Discount Amortization	Net Expense
2026	\$ 102,000	\$ 22,956	\$ 79,044
2027	102,000	19,201	82,799
2028	102,000	15,268	86,732
2029	102,000	11,149	90,851
2030	102,000	6,833	95,167
Thereafter	51,000	2,312	48,688
	\$ 561,000	\$ 77,719	\$ 483,281

NOTE 4 - INVESTMENTS

Investments consisted of the following at June 30, 2025 and 2024:

	2025	2024
Fixed income securities	\$ 4,538,439	\$ 4,902,360
Equity securities	2,945,932	1,981,657
Exchange traded funds	851,590	706,394
Investments - BRAF	609,346	558,782
Cash and cash equivalents	430,153	126,744
	\$ 9,375,460	\$ 8,275,937

Fair value measurements of investments for years 2025 and 2024 under the fair value hierarchy of ASC 820 are disclosed at Note 11.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2025 and 2024:

	2025	2024
Furniture, fixtures, and office equipment	\$ 49,046	\$ 602,534
Leasehold improvements	27,022	283,631
	76,068	886,165
Less: accumulated depreciation	(52,196)	(858,150)
	\$ 23,872	\$ 28,015

Depreciation expense totaled \$13,061 and \$16,749 for the years ended June 30, 2025 and 2024, respectively.

NOTE 6 - LINE OF CREDIT

The Capital Area United Way had established a \$250,000 line of credit through Regions Bank in September 2024 with a maturity date of September 2025. The line of credit was reestablished in the amount of \$250,000 in September 2025 with a maturity date of September 2026. There were no draws on the line of credit during the years ended June 30, 2025 or 2024.

NOTE 7 - AGENCY TRANSACTIONS/DESIGNATIONS PAYABLE

Agency transactions include contributions designated by donors for payment to specified organizations. These transactions are accounted for as pass-through transactions which represent transfers of assets from resource providers (contributors) to intermediary not-for-profit organizations (CAUW) that act as agents for resource providers by transferring those assets to specified third-party recipients.

When contributors to the fundraising campaign designate specific beneficiaries, the Organization has no discretion in distributing those assets. Such amounts are not recorded as revenues or expenses. When such amounts are collected, they are recorded as designations payable until remitted to the underlying beneficiary organization.

NOTE 8 - NET ASSETS

The Board of Directors has chosen to place the following limitations on net assets without donor restrictions as of June 30, 2025 and 2024:

	2025	2024
Funds held for operational reserves	\$ 2,750,231	\$ 2,699,667
Funds held for United We Thrive	241,106	177,489
Funds held for building upgrades	-	83,539
Total	\$ 2,991,337	\$ 2,960,695

NOTE 8 - NET ASSETS (CONTINUED)

Net assets with donor restrictions were available for the following purposes or periods as of June 30, 2025 and 2024:

	2025	2024
Campaign revenues for future periods	\$ 4,491,739	\$ 4,851,327
Building lease receivable	483,281	558,741
VITA grant - tax preparation	127,023	194,358
BRAYN	83,093	-
Disaster relief	75,000	75,000
ALICE Childcare Sponsorships	70,336	-
NFL Impact 59 Legacy	50,000	-
Community Responsiveness Fund	18,458	18,458
	\$ 5,398,930	\$ 5,697,884

NOTE 9 - ENDOWED NET ASSETS

The Organization has established prudent investment and spending policies with the objective of maintaining the purchasing power of its endowed net assets in perpetuity. The investment policy sets forth the guidelines relative to asset allocation parameters and investment return goals. The spending policy sets forth guidelines related to the amount of financial support available and the types of programs funded. Both policies are reviewed annually by the Organization's Board of Directors. There are no donor established endowments as of June 30, 2025 or 2024.

A summary of endowed net assets (board-designated endowment) as of June 30, 2025 and 2024, is as follows:

	2025	2024
Board-designated endowment	\$ 609,346	\$ 558,782

A summary of changes in endowed net assets for the years ended June 30, 2025 and 2024, is as follows:

Endowed net assets - June 30, 2023	\$ 499,199
Investment gain	59,583
Endowed net assets - June 30, 2024	558,782
Investment gain	50,564
Endowed net assets - June 30, 2025	\$ 609,346

The board-designated endowment is included in Note 8 - Net Assets in the funds held for operational reserves line item.

NOTE 10 - DEFINED CONTRIBUTION PLAN

The CAUW maintains a 403(b) retirement and thrift plan for all eligible employees. The Organization makes matching contributions equal to 100% of each employee's elective contribution up to a maximum of 3% of eligible compensation, after the employee has completed one year of service. The Organization can also make additional discretionary contributions. Participants vest immediately in their voluntary contributions and over a five-year period for contributions made by the CAUW. Total expenses related to this Plan totaled approximately \$88,000 and \$82,000 for the years ended June 30, 2025 and 2024, respectively.

NOTE 11 - DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS

In accordance with the *Fair Value Measurements and Disclosure* topic of the FASB Accounting Standards Codification, disclosure of fair value information about financial instruments is required. Fair value of a financial instrument 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. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows.

Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not necessarily represent the underlying value of the Organization.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions.

If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

Fair value hierarchy

The topic on *Fair Value Measurements and Disclosures* establishes 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).

**NOTE 11 - DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS
(CONTINUED)**

Fair value hierarchy (Continued)

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

- Level 1 - valuation is based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 - valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 - valuation is based on unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon 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 methods and assumptions were used by the Organization in estimating its fair value measurements and disclosures for financial instruments:

Cash and cash equivalents – consist of primarily money market funds or other highly liquid investment accounts.

Fixed income securities – valued using pricing models maximizing the use of observable inputs for similar securities.

Exchange traded funds – these investments are valued using a market approach based on the quoted market prices.

**NOTE 11 - DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS
(CONTINUED)**

Fair value hierarchy (Continued)

Equity securities – Any security representing an ownership interest in an entity (for example, common, preferred, or other capital stock) or the right to acquire (for example, warrants, rights, forward purchase contracts, and call options) or dispose of (for example, put options and forward sale contracts) an ownership interest in an entity at fixed or determinable prices. However, the term does not include convertible debt or preferred stock that by its terms either must be redeemed by the issuing entity or its redeemable at the option of the investor. Securities are valued at the closing price reported on the active market on which the individual securities are traded.

Limitations – fair value estimates are made at a specific point in time, based on relevant market information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair Value of Assets and Liabilities Measured on a Recurring Basis

The Organization’s investments are measured on a recurring basis through estimates and assumptions made by management.

The following tables set forth by level, within the fair value hierarchy, the Organization’s assets at fair values as of June 30, 2025 and 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>June 30, 2025</u>
Cash and cash equivalents	\$ 430,153	\$ -	\$ -	\$ 430,153
Equity securities	2,945,932	-	-	2,945,932
Fixed income securities	4,538,439	-	-	4,538,439
Exchange traded funds	851,590	-	-	851,590
Investments - BRAF	-	609,346	-	609,346
Total investments at fair value	<u>\$ 8,766,114</u>	<u>\$ 609,346</u>	<u>\$ -</u>	<u>\$ 9,375,460</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>June 30, 2024</u>
Cash and cash equivalents	\$ 126,744	\$ -	\$ -	\$ 126,744
Fixed income securities	4,902,360	-	-	4,902,360
Equity securities	1,981,657	-	-	1,981,657
Exchange traded funds	706,394	-	-	706,394
Investments - BRAF	-	558,782	-	558,782
Total investments at fair value	<u>\$ 7,717,155</u>	<u>\$ 558,782</u>	<u>\$ -</u>	<u>\$ 8,275,937</u>

NOTE 12 - DONATED SERVICES AND ASSETS

The Organization received the following contributions of nonfinancial assets for the year ended June 30, 2025 and 2024:

	2025	2024
Banking services	\$ 9,812	\$ 10,673
Supplies and prizes	3,834	24,025
Food and beverage items	1,726	7,250
	\$ 15,372	\$ 41,948

Purchase discounts, contributed gift cards, food and supplies received by the Organization are recorded as donated goods and services contribution revenue with a corresponding increase to food and beverage item or supplies expense.

Donated banking services are valued at standard rates charged for those services. Donated gift cards are valued at the exchange value of the gift card. Donated goods are valued at the publicly available price for similar items.

NOTE 13 - LIQUIDITY AND AVAILABILITY

The Organization has the following financial assets available to meet its general needs, excluding amounts that are not available for general use within one year of the statement of financial position date because of donor imposed restrictions or internal designations:

	2025	2024
Cash and cash equivalents	\$ 1,476,029	\$ 1,602,570
Certificates of deposit	-	398,958
Campaign pledges receivable, net	1,680,843	1,915,736
Other receivables	38,000	185
Investments	9,375,460	8,275,937
	12,570,332	12,193,386
Less: assets with donor restrictions, including future campaigns	(5,398,930)	(5,697,884)
Less: assets with board designations	(2,991,337)	(2,960,695)
	\$ 4,180,065	\$ 3,534,807

As part of the Organization'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. To help manage unanticipated liquidity needs, the Organization has established a line of credit in the amount of \$250,000, which it could draw upon if needed. The line of credit expired in September of 2025 and was renewed with a maturity date of September 2026.

NOTE 14 - FUNDRAISING AND MANAGEMENT AND GENERAL EXPENSE RATIO

The Capital Area United Way computes its fundraising and management and general expense ratio as recommended in Functional Expenses and Overhead Reporting Standards for United Ways as revised in 2004. The numerator includes fundraising and management and general expenses. Fundraising costs include marketing and communication expenses. The computation of the ratio for the years ended June 30, 2025 and 2024 is as follows:

	2025	2024
Numerator:		
Management and general	\$ 838,154	\$ 841,012
Fundraising	735,251	839,697
Total management and general and fundraising expenses:	\$ 1,573,405	\$ 1,680,709
Denominator:		
Total revenues and support	\$ 6,512,564	\$ 5,560,371
Overhead ratio:	24.16%	30.23%
Overhead ratio, excluding fundraising expenses:	12.87%	15.13%

NOTE 15 - RELATED PARTY TRANSACTIONS

During the year ended June 30, 2025 and 2024, the Organization received contributions from certain members of its Board of Directors of \$35,944 and \$275,134, and employees of \$18,672 and \$18,422, respectively. These donations were made in the ordinary course of fundraising activities and on the same terms and conditions available to the general public.

NOTE 16 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 17, 2025, the date that the financial statements were available to be issued and determined that no additional disclosures are necessary. No events occurring after this date have been considered for inclusion in these financial statements.

CAPITAL AREA UNITED WAY
Baton Rouge, Louisiana

STATEMENT OF COMMUNITY ALLOCATIONS, GRANTS, AND DESIGNATIONS

For the year ended June 30, 2025

Agency	2025		
	Community Impact Funds	Donor	Total Payments
	Awarded	Designations	
100 Black Men of Metro Baton Rouge	\$ -	\$ 8,644	\$ 8,644
Adult Literacy Advocates	40,000	-	40,000
American Red Cross	-	563	563
AMI Kids Baton Rouge	40,000	448	40,448
Baton Rouge Area Alcohol & Drug Center	-	2,145	2,145
Baton Rouge Children's Advocacy Center	38,981	-	38,981
Baton Rouge Concert Band	500	-	500
Baton Rouge Sickle Cell Anemia	-	1,217	1,217
Baton Rouge Tigers Australian Rules Football Club	500	-	500
Baton Rouge Youth Coalition	50,000	2,957	52,957
Big Buddy	-	2,083	2,083
Boys & Girls Club of Metro Louisiana	52,000	1,438	53,438
Brusly High School Boys Track Team	500	-	500
Brusly High School, FRC Team 5863	500	-	500
Burks Management Firm	2,000	-	2,000
Cancer Association of Greater New Orleans Inc	18,750	-	18,750
Cancer Services	15,000	8,513	23,513
Capital Area Agency on Aging	-	3,157	3,157
Capital Area CASA Association	-	860	860
Capital Area Family Justice Center	17,250	-	17,250
Capital Area Family Violence Intervention Center	50,000	6,541	56,541
Career Compass of Louisiana	74,000	-	74,000
Caroline Grace Gill Foundation	500	-	500
Catholic Charities of the Diocese of Baton Rouge	112,500	15,640	128,140
Cedarwood Apartments	999	-	999
Center for the Innovative Training of Youth Inc.	50,000	-	50,000
Central Lafourche Baseball Association	500	-	500
Charles R Kelly Community Center	2,000	-	2,000
Child Advocacy Services	60,000	2,800	62,800
Christian Outreach Center of Baton Rouge	36,000	-	36,000
Cystic Fibrosis Foundation	-	2,361	2,361
Dutchtown High Baseball	500	-	500
EBR - National Association of University Women	500	-	500
Estave Property Holdings	1,950	-	1,950
Family Service of Greater Baton Rouge	50,000	-	50,000
Family Violence Program of St. Bernard	-	170	170
Fathers On A Mission	25,000	-	25,000
Front Yard Bikes	100,000	4,242	104,242
Gardere Initiative	37,500	-	37,500
Goodwill Industries of Southeastern Louisiana	100,000	-	100,000
Grandparents Raising Grandchildren Information Center of LA	25,000	-	25,000
Greater Baton Rouge Food Bank, Inc.	39,600	14,202	53,802
Habitat for Humanity of Greater Baton Rouge	15,000	-	15,000
Holy Family Papa Bears, Inc	500	-	500
HOPE Ministries of Baton Rouge	162,500	3,108	165,608
HOPE Ministries of Pointe Coupee	18,692	-	18,692
Humanities Amped	100,000	-	100,000

See accompanying independent auditors' report.

CAPITAL AREA UNITED WAY

Baton Rouge, Louisiana

STATEMENT OF COMMUNITY ALLOCATIONS, GRANTS, AND DESIGNATIONS

For the year ended June 30, 2025

Agency	2025		
	Community Impact Funds	Donor	Total Payments
	Awarded	Designations	
Interfaith Federation of Greater Baton Rouge	25,000	-	25,000
Istrouma Area Council, BSA	500	-	500
It Takes a Village BR	-	304	304
J.K. Reed Community Resources Center Inc.	2,000	-	2,000
Kids Orchestra Inc.	70,000	-	70,000
Knock Out MS Foundation	500	-	500
La Fondation Rose et Verte de Louisiana	1,000	-	1,000
Lake Charles Cricket Club	500	-	500
Legendz Sports Academy	500	-	500
Line 4 Line	12,750	-	12,750
Louisiana 4-H Foundation	-	3,428	3,428
Louisiana Area Women in Ministry	-	196	196
Louisiana Mental Health Association	-	3,490	3,490
Louisiana Organization for Refugees and Immigrant	25,000	-	25,000
Mary Bird Perkins Cancer Center	-	3,403	3,403
McMains Children's Development Center	-	6,841	6,841
Med Foundation	500	-	500
Mid City Church	500	-	500
Mighty Moms	25,000	-	25,000
Mission Heart, Inc.	50,000	-	50,000
Napoleonville Volunteer Fire Department	500	-	500
Nu Gamma Omega Educational and Charitable Foundation Alpha Kappa Alpha Sorority, Inc.	500	-	500
O'Brien House	109,000	298	109,298
One Touch Ministry, Inc	10,000	-	10,000
Opening Doors	50,000	-	50,000
Particular Council of St. Vincent de Paul Baton Rouge Louisiana Special Works	-	9,506	9,506
PHI Gamma Sigma Youth Sorority Inc.	1,500	-	1,500
Pointe Coupee Early Childhood Coalition	50,000	-	50,000
Salvation Army of Greater Baton Rouge	37,500	-	37,500
Sexual Trauma Awareness and Response Center	77,500	-	77,500
Songs of Survivors	500	-	500
Southeast Louisiana Legal Services, Corp	50,000	-	50,000
St Helena Parish School District	-	7,500	7,500
St James ARC	-	5,575	5,575
St James Council on Aging	-	1,114	1,114
St. Helena Parish Sheriff's Office	-	2,500	2,500
St. Jude Children's Research Hospital	-	18,133	18,133
St. Vincent De Paul	50,000	-	50,000
The ARC Baton Rouge	-	445	445
The Arc of East Ascension	-	700	700
The Emerge Center	150,000	4,798	154,798
The Haven, Inc.	-	221	221
The Jonah Group Outreach Community Development, Inc	500	-	500
The Life of a Single Mom	25,000	4,552	29,552
The Magnolia Rose Foundation	500	-	500

See accompanying independent auditors' report.

CAPITAL AREA UNITED WAY
Baton Rouge, Louisiana

STATEMENT OF COMMUNITY ALLOCATIONS, GRANTS, AND DESIGNATIONS

For the year ended June 30, 2025

	2025		
Agency	Community Impact Funds Awarded	Donor Designations	Total Payments
The Safety Place	37,500	-	37,500
The Salvation Army	-	3,212	3,212
The Walls Project	25,000	-	25,000
Trojan Lancer Band Booster Club	500	-	500
United Way for South Louisiana	-	2,322	2,322
United Way of St Charles	-	211	211
Urban Restoration Enhancement Corporation	75,000	-	75,000
Volunteers of America South Central Louisiana, Inc.	100,000	-	100,000
We Care For Special People Inc.	500	-	500
West Baton Rouge Parish Shelter and Animal Control	500	-	500
West Feliciana Parish Schools	-	2,980	2,980
Westside Foundation Inc.	1,000	-	1,000
YMCA of the Capital Area	22,500	-	22,500
Youth Oasis	-	2,857	2,857
YWCA Greater Baton Rouge	150,000	-	150,000
Zachary High School	500	-	500
	<u>\$ 2,578,972</u>	<u>\$ 165,675</u>	<u>\$ 2,744,647</u>

See accompanying independent auditors' report.