The United Way of Youngstown and the Mahoning Valley

AUDIT OF FINANCIAL STATEMENTS

Years ended December 31, 2024 and 2023

PACKER · THOMAS
Certified Public Accountants & Business Consultants

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REPORT OF INDEPENDENT AUDITORS

BOARD OF TRUSTEES
THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The United Way of Youngstown and the Mahoning Valley (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The United Way of Youngstown and the Mahoning Valley as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable for financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The United Way of Youngstown and the Mahoning Valley and to meet our 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; this includes 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 United Way of Youngstown and the Mahoning Valley's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 include 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 judgement 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 United Way of Youngstown and the Mahoning Valley'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 United Way of Youngstown and the Mahoning Valley'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 we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated September 30, 2025, on our consideration of The United Way of Youngstown and the Mahoning Valley's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion of the effectiveness of The United Way of Youngstown and the Mahoning Valley's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The United Way of Youngstown and the Mahoning Valley's internal control over financial reporting and compliance.

Packer Thomas

Canfield, Ohio
September 30, 2025

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF FINANCIAL POSITION

ASSETS	December 31, 2024	2023
CURRENT ASSETS		
Cash and cash equivalents	**$ 533,368**	$ 1,704,618
Cash and cash equivalents--designated pledges	**107,470**	169,770
Grants receivable	**400,693**	772,141
Campaign pledges receivable:		
2024 Campaign, less allowance for credit losses (2024--$125,000)	**617,327**	-
2023 Campaign, less allowance for credit losses (2024 and 2023--$78,200)	**68,701**	637,997
2022 Campaign, less allowance for credit losses (2023--$73,100)	**-**	39,821
Total campaign pledges receivable	**686,028**	677,818
Volunteer center pledges receivable, net of discount	**186,830**	297,730
Other receivables--employee retention credit	**162,673**	140,019
Prepaid expenses and other assets	**-**	2,311
Donated vehicle	**10,386**	22,182
TOTAL CURRENT ASSETS	**2,087,448**	3,786,589
INVESTMENTS	**9,921,369**	9,122,990
PROPERTY AND EQUIPMENT		
Land	**489,520**	14,327
Building and building improvements	**2,896,415**	577,185
Furniture and equipment	**145,812**	131,904
Vehicles	**24,500**	24,500
Total property and equipment	**3,556,247**	747,916
Less accumulated depreciation	**220,580**	162,740
Construction in process	**-**	881,207
NET PROPERTY AND EQUIPMENT	**3,335,667**	1,466,383
OTHER ASSETS		
Deposit	**-**	400
Operating lease--right of use assets	**4,388**	5,404
Volunteer center pledges receivable, net of discount--long term	**742,437**	648,949
TOTAL ASSETS	**$ 16,091,309**	$ 15,030,715

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

LIABILITIES AND NET ASSETS	December 31, 2024	2023
CURRENT LIABILITIES		
Line of credit	**$ 800,000**	$ -
Designated pledges payable	**1,176,535**	1,678,016
Allocations payable	**474,361**	511,815
Contract liabilities	**10,000**	-
Deferred compensation liability	**96,468**	-
Other current liabilities	**260,525**	158,061
Current portion of obligations under finance leases	**11,177**	10,701
Current portion of obligations under operating leases	**1,061**	1,016
TOTAL CURRENT LIABILITIES	**2,830,127**	2,359,609
OTHER LIABILITIES		
Obligations under finance leases	**21,798**	32,975
Obligations under operating leases	**3,271**	4,332
TOTAL LIABILITIES	**2,855,196**	2,396,916
NET ASSETS		
WITHOUT DONOR RESTRICTIONS		
Board Designated Reserve	**3,147,962**	3,532,265
Undesignated, available for general activities	**7,094,559**	6,274,555
Total without donor restrictions	**10,242,521**	9,806,820
WITH DONOR RESTRICTIONS	**2,993,592**	2,826,979
TOTAL NET ASSETS	**13,236,113**	12,633,799
TOTAL LIABILITIES AND NET ASSETS	**$ 16,091,309**	$ 15,030,715

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF ACTIVITIES

	Years ended December 31,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE						
Prior-year campaign contribution	$ 525,769	$ -	$ 525,769	$ 559,103	$ -	$ 559,103
Net assets released from restrictions:						
Prior-year campaign contributions--net	477,234	(477,234)	-	546,284	(546,284)	-
Current-year campaign contributions--net	736,743	376,928	1,113,671	488,347	477,234	965,581
Contributions in kind	-	10,500	10,500	-	22,182	22,182
Net campaign revenue	1,739,746	(89,806)	1,649,940	1,593,734	(46,868)	1,546,866
Grant revenue	1,371,622	-	1,371,622	1,609,485	-	1,609,485
Interest and dividend income, net of investment fees	196,893	53,401	250,294	140,870	42,314	183,184
Net gain on investments	581,086	225,200	806,286	695,937	242,719	938,656
Miscellaneous income	33,088	-	33,088	474,495	-	474,495
Net special event income	415,935	-	415,935	480,810	-	480,810
Volunteer center contributions	252,588	-	252,588	1,196,679	-	1,196,679
Net assets released from restrictions:						
Restricted investment income	22,182	(22,182)	-	22,206	(22,206)	-
TOTAL PUBLIC SUPPORT AND REVENUE	4,613,140	166,613	4,779,753	6,214,216	215,959	6,430,175
FUND DISTRIBUTIONS, SERVICES, DUES AND OTHER EXPENSES						
Allocations to local agencies	1,016,000	-	1,016,000	1,003,261	-	1,003,261
Other Corporation expenses:						
Program services:						
Planning and community investment	1,848,247	-	1,848,247	1,747,408	-	1,747,408
Labor	255,917	-	255,917	253,471	-	253,471
	2,104,164	-	2,104,164	2,000,879	-	2,000,879
Supporting services:						
Administration	202,686	-	202,686	174,299	-	174,299
United Way campaign	790,969	-	790,969	690,816	-	690,816
	993,655	-	993,655	865,115	-	865,115
Other expense:						
United Way National and Ohio membership dues	63,620	-	63,620	30,955	-	30,955
TOTAL EXPENSES	4,177,439	-	4,177,439	3,900,210	-	3,900,210
CHANGE IN NET ASSETS	435,701	166,613	602,314	2,314,006	215,959	2,529,965
NET ASSETS AT BEGINNING OF YEAR	9,806,820	2,826,979	12,633,799	7,492,814	2,611,020	10,103,834
NET ASSETS AT END OF YEAR	$ 10,242,521	$ 2,993,592	$ 13,236,113	$ 9,806,820	$ 2,826,979	$ 12,633,799

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

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31,

2024

	Program Services			Supporting Services			Total Program and Supporting Services Expenses
	Planning and Community Investment	Labor	Total	Administration	United Way Campaign	Total	
SALARIES AND RELATED EXPENSES:							
Salaries	$ 678,137	$ 89,631	$ 767,768	$ 87,691	$ 277,065	$ 364,756	$ 1,132,524
Employee benefits	124,905	2,511	127,416	6,205	84,732	90,937	218,353
Payroll taxes	38,867	4,664	43,531	6,219	27,984	34,203	77,734
TOTAL SALARIES AND RELATED EXPENSES	841,909	96,806	938,715	100,115	389,781	489,896	1,428,611
Community impact programs	107,574	18,233	125,807	10,940	45,582	56,522	182,329
Purchased services	633,662	107,400	741,062	64,440	268,501	332,941	1,074,003
Office supplies	35,137	-	35,137	370	1,479	1,849	36,986
Campaign supplies	5,247	-	5,247	-	1,749	1,749	6,996
Telephone	3,952	670	4,622	402	1,675	2,077	6,699
Postage and shipping	2,828	479	3,307	288	1,198	1,486	4,793
Utilities	12,837	2,176	15,013	1,305	5,439	6,744	21,757
Insurance	11,039	1,871	12,910	1,123	4,678	5,801	18,711
Printing and publications	13,220	2,241	15,461	1,344	5,602	6,946	22,407
Transportation and travel	24,131	4,090	28,221	2,454	10,225	12,679	40,900
Local meetings	5,484	930	6,414	558	2,324	2,882	9,296
Rental and maintenance of equipment and building	24,290	4,117	28,407	2,470	10,292	12,762	41,169
Membership dues and tuition	8,393	829	9,222	498	2,073	2,571	11,793
Professional fees	53,497	6,035	59,532	3,890	15,273	19,163	78,695
Data processing expense	5,815	-	5,815	1,234	-	1,234	7,049
Miscellaneous expense	696	118	814	71	295	366	1,180
Depreciation	34,125	5,784	39,909	3,470	14,460	17,930	57,839
Bank charges	-	-	-	5,232	-	5,232	5,232
Registration fee	11,869	2,012	13,881	1,207	5,029	6,236	20,117
Interest expense	12,542	2,126	14,668	1,275	5,314	6,589	21,257
TOTAL EXPENSES	$ 1,848,247	$ 255,917	$ 2,104,164	$ 202,686	$ 790,969	$ 993,655	$ 3,097,819

2023

	Program Services			Supporting Services			Total Program and Supporting Services Expenses
	Planning and Community Investment	Labor	Total	Administration	United Way Campaign	Total	
SALARIES AND RELATED EXPENSES:							
Salaries	$ 625,686	$ 89,216	$ 714,902	$ 70,252	$ 249,823	$ 320,075	$ 1,034,977
Employee benefits	72,761	9,267	82,028	6,878	37,587	44,465	126,493
Payroll taxes	19,985	2,398	22,383	3,198	14,389	17,587	39,970
TOTAL SALARIES AND RELATED EXPENSES	718,432	100,881	819,313	80,328	301,799	382,127	1,201,440
Community impact programs	108,821	18,444	127,265	11,067	46,111	57,178	184,443
Purchased services	558,897	94,728	653,625	56,837	236,821	293,658	947,283
Office supplies	100,633	98	100,731	1,112	4,459	5,571	106,302
Campaign supplies	17,587	2,221	19,808	1,332	7,047	8,379	28,187
Telephone	4,003	679	4,682	407	1,696	2,103	6,785
Postage and shipping	801	136	937	81	340	421	1,358
Utilities	3,368	571	3,939	342	1,427	1,769	5,708
Insurance	7,070	1,198	8,268	719	2,996	3,715	11,983
Printing and publications	9,226	1,564	10,790	938	3,909	4,847	15,637
Transportation and travel	108,017	18,308	126,325	10,985	45,770	56,755	183,080
Local meetings	10,375	1,758	12,133	1,055	4,396	5,451	17,584
Rental and maintenance of equipment and building	24,656	3,382	28,038	2,438	10,159	12,597	40,635
Membership dues and tuition	11,377	1,335	12,712	801	3,338	4,139	16,851
Professional fees	36,989	4,145	41,134	2,675	10,492	13,167	54,301
Data processing expense	3,421	-	3,421	726	-	726	4,147
Miscellaneous expense	1,171	199	1,370	161	496	657	2,027
Depreciation	22,564	3,824	26,388	2,295	9,560	11,855	38,243
Bank charges	-	-	-	-	-	-	-
Registration fee	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
TOTAL EXPENSES	$ 1,747,408	$ 253,471	$ 2,000,879	$ 174,299	$ 690,816	$ 865,115	$ 2,865,994

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

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF CASH FLOWS

	Years ended December 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	**$ 602,314**	$ 2,529,965
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	**57,839**	38,243
Provision/(recovery) of uncollectible pledges	**51,900**	(98,700)
(Gain) loss on investments	**(806,286)**	(938,656)
Donated vehicle included in contributions	**(10,500)**	(22,182)
Giveaway of campaign vehicle	**22,182**	22,206
(Increase) decrease in assets:		
Grant receivable	**371,448**	(244,233)
Campaign pledge receivables	**(60,110)**	263,109
Volunteer center pledge receivables	**17,412**	(946,679)
Other receivables	**(22,654)**	(140,019)
Prepaid expenses and other assets	**2,311**	(2,311)
Operating lease--right of use assets	**1,016**	(5,404)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	**(302,549)**	(449,819)
Allocations payable	**(37,454)**	5,415
Contract liabilities	**10,000**	(192,750)
Obligations under operating leases	**(1,016)**	5,348
NET CASH FLOWS FROM OPERATING ACTIVITIES	**(104,147)**	(176,467)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	**(2,945,289)**	(3,895,578)
Proceeds from sale of investments	**2,953,596**	3,898,435
Purchase of property and equipment	**(1,927,009)**	(870,310)
NET CASH FLOWS FROM INVESTING ACTIVITIES	**(1,918,702)**	(867,453)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	**800,000**	-
Payments on obligations under financing leases	**(10,701)**	(10,244)
NET CASH FLOWS FROM FINANCING ACTIVITIES	**789,299**	(10,244)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(1,233,550)**	(1,054,164)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**1,874,388**	2,928,552
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 640,838**	$ 1,874,388
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	**$ 21,257**	$ 2,103
NON CASH INVESTING AND FINANCING ACTIVITIES		
Right of use assets obtained in exchange for operating lease liabilities	**$ -**	$ 5,779

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

NOTE A – NATURE OF OPERATIONS

The United Way of Youngstown and the Mahoning Valley (the Organization) is a non-profit corporation organized on February 10, 1919 under the laws of the State of Ohio principally for the purpose of soliciting donations for charitable purposes. The United Way focuses on the impact model with today's mission to create positive change by collaborating with partners to educate, empower, and support children and families in the Mahoning Valley. The Organization has aligned its funds, resources, partnerships, and programs around the impact areas of early childhood education and emergency services.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Adoption of New Accounting Pronouncement
Effective January 1, 2024, the Organization early adopted ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. In connection with adoption, the Organization elected the practical expedient to assume current conditions as of the balance sheet date remain unchanged and elected the option to consider subsequent collections through the date of the financial statements are available to be issued. The adoption did not have a material impact on the financial statements and was applied prospectively.

Cash and Cash Equivalents
The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent, exclusive of cash and cash equivalents held in brokerage investment accounts.

Designated Pledges
Financial donor contributions designated to a specific agency or impact area without granting variance power to the Organization are not included in campaign revenue but are recorded as a liability to the designated beneficiary.

Receivables and Allowances for Credit Losses
The Organization operates in the non-profit sector and its pledge receivables are primarily derived from donor contributions and promises to give and its grant receivables are primarily derived from federal and state agencies, and from local organizations. At each balance sheet date, the Organization recognizes an expected allowance for credit losses. All pledge and grant receivables are reported on the statement of financial position at their cost adjusted for credit losses, which represents the net amount expected to be collected.

Pledge and Grant Receivables
The estimate for pledge and grant receivables' credit losses is updated at the statement of financial position date to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist. Pledge and grant receivables are evaluated individually when they do not share similar risk characteristics which could exist in circumstances where amounts are considered at risk or uncollectible. The allowance estimate is derived from a review of the Organization's historical losses based on the aging of receivables and type of pledge or grant. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Organization. The Organization believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Organization's portfolio segment(s) have remained constant.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments
Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statements of activities. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restriction if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Property and Equipment
Property and equipment are recorded at cost, if purchased, or fair value at the date of donation. The Organization has a capitalization policy whereby all additions over $500 are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Property, plant and equipment, and accumulated depreciation, include the cost and accumulated amortization of right of use assets in connection with finance leases, as further disclosed in Note L.

Lease Arrangements
The Organization determines if an arrangement is an operating or finance lease at inception. In evaluating contracts to determine if they qualify as a lease, we consider factors such as if we have obtained substantially all of the rights to the underlying assets through exclusivity, if we can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgement. Certain leases may include options to extend or purchase the underlying assets. When deemed reasonably certain of exercising these options, the renewal and purchase options are included in the determination of the lease term and payment obligation. The depreciable life of assets and leasehold improvements is limited to the expected term, unless there is a transfer of title or purchase option reasonably certain of exercise. The Organization has also elected to not separate lease components from nonlease components when allocating consideration, to not recognize leases that have an original term of twelve months or less in our balance sheet for all classes of underlying assets and use a risk-free rate as the discount rate for all classes of underlying assets, if a rate implicit in the lease is not readily available.

In conjunction with these arrangements, the Organization recognizes a right-of-use (ROU) asset representing the Organization’s right to use an underlying asset for the lease term and lease liabilities representing the Organization’s obligation to make payments arising from that lease. The standard requires lessees to classify this asset and obligation as either finance or operating leases. Refer to Note L for additional disclosure requirements.

Contract Assets and Liabilities
Balances of contract assets and liabilities are as follows:

	January 1, 2023	December 31, 2023	December 31, 2024
Campaign pledges receivable, net	$ 842,297	$ 677,818	$ 686,028
Volunteer center pledges receivable, net	$ -	$ 946,679	$ 929,267
Contract liabilities	$ 192,750	$ -	$ 10,000

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Net Assets
The net assets of the Organization are reported as follows:

> **With Donor Restriction** represents gifts of cash or other restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Donations received with restrictions that are met in the same reporting period are reported as unrestricted support and increase net assets without donor restrictions.

> **Without Donor Restriction** represents net assets which are available for general use of the Organization as net assets without donor restriction, as well as Board-designated net assets set aside for future use.

Revenue Recognition
Contributions containing donor-imposed restrictions are reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a time or purpose restriction is satisfied, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. When restrictions are met in the same period as the contribution received, the Organization records the contribution revenue as without donor restrictions.

Public Support and Impact Grants to Organizations
Annual campaigns are conducted each fall to raise support for the following year's impact grants to participating agencies and grantees. For the years ended December 31, 2024 and 2023, $376,928 and $477,234 of current-year campaign contributions were reported as net assets with donor restrictions. All other campaign contributions are considered net assets without donor restrictions for use in the following year and are released from restriction in the current year to the extent of impact grants approved for the following year. Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Promises to give whose eventual use are restricted by the donors are recorded as increases in with donor restrictions. Unconditional promises to give to be collected in future periods are also recorded as an increase in with donor restrictions and reclassified to without donor restrictions when received, unless the donor's intention is to support current-period activities. Contribution income is recognized in the year that the unconditional promise is received. Impact grants payable to agencies and grantees are recorded in the financial statements at the time of approval by the Board of Directors, which is usually in the year of the campaign, by recording an expense and a liability of equal amounts. The Organization may approve multi-year allocations and consider future allocations beyond two years to be conditional based on the success of the campaign.

Contributed Services
No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization received approximately 16,000 and 13,000 volunteer hours during the years ended December 31, 2024 and 2023, respectively.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes
The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Functional Allocation of Expenses
The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization’s functional classification and allocation policy is based on a review of the Organization’s current structure and the identification, reclassification and allocation of certain employee, facility, and departmental expenses, which serve multiple functional areas. Those expenses allocated to Planning and Community Investment program include Success by 6, Dolly Parton Imagination Library, Young Women’s Mentorship Initiative, the Volunteer Income Tax Assistance program (V.I.T.A.), the Vision program and Success After 6. Those expenses allocated to United Way Campaign are those campaign expenses associated with the Organization’s fundraising efforts.

Liquidity
The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available include amounts set aside for long-term investing in the quasi-endowment that could be drawn upon if the governing board approves that action. However, amounts already appropriated from either the donor-restricted endowment or quasi-endowment for general expenditure within one year of the balance sheet date have not been subtracted as unavailable. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors.

Financial assets	
Cash and cash equivalents	$ 533,368
Cash and cash equivalents – designated pledges	107,470
Grant receivable	400,693
Campaign pledges receivable:	
2024 Campaign, less allowance for uncollectible pledges	617,327
2023 Campaign, less allowance for uncollectible pledges	68,701
Investments	9,921,369
Total Financial assets	11,648,928
Less those unavailable for general expenditures within one year	
Cash and cash equivalents – designated pledges	(107,470)
Grant receivable	(400,693)
Contractual or donor-imposed restrictions:	
Endowments invested in perpetuity	(2,298,922)
Annual campaign income designated for future periods	(376,928)
Other	(317,742)
Board designated reserve	(3,147,962)
Financial assets available to meet cash needs for general expenditure within one year	$ 4,999,211

The Organization also has a line of credit of $2,000,000 available with $800,000 outstanding at December 31, 2024.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising Costs
The Organization expenses advertising costs as incurred. Advertising expense was $22,407 and $15,637 in 2024 and 2023, respectively.

Use of Estimates
The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 C – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2024 and 2023 consist of the following:

	2024	2023
Cash and cash equivalents	**$ 533,368**	$ 1,704,618
Cash and cash equivalents – designated pledges	**107,470**	169,770
Total cash and cash equivalents	**$ 640,838**	$ 1,874,388

NOTE D – PLEDGE RECEIVABLES AND ALLOWANCES FOR CREDIT LOSSES

The Organization's pledge receivables arise primarily from donor contributions and promises to give consist of the following as of December 31:

	2024	2023
Pledge receivables- 2024 Campaign	**$ 742,327**	$ -
Pledge receivables- 2023 Campaign	**146,901**	716,197
Pledge receivables- 2022 Campaign	**-**	112,921
	889,228	829,118
Less allowance for uncollectible pledges- 2024 Campaign	**125,000**	-
Less allowance for uncollectible pledges- 2023 Campaign	**78,200**	78,200
Less allowance for uncollectible pledges- 2022 Campaign	**-**	73,100
	203,200	151,300
Campaign pledge receivables, net	**$ 686,028**	$ 677,818

The following is a rollforward of the allowance for credit losses related to campaign pledge receivables for 2024 and 2023:

	2024	2023
Allowance for credit losses:		
Beginning of year	**$ 151,300**	$ 250,000
Recoveries	**-**	(98,700)
Write-offs	**51,900**	
End of year	**$ 203,200**	$ 151,300

NOTE E – PLEDGE ALLOCATIONS

The Executive Committee has allocated $1,016,000 and $1,003,261 for the years ended December 31, 2024 and 2023, respectively, to the United Way participating agencies for the agencies' 2024-2023 and 2023-2022 operations. The United Way's allocation year is a fiscal year ending June 30.

NOTE F – VOLUNTEER CENTER PLEDGES RECEIVABLE

The Organization has received pledges from donors for the Volunteer Center and operations that are expected to be collected over the next ten years. Volunteer Center pledges receivables are recorded at their present value using a discount rate of 4.58%. The following is a summary of Volunteer Center pledges receivable as of December 31, 2024 and 2023:

	2024	2023
Amounts due in		
Less than one year	**$ 220,000**	$ 325,000
One to five years	**585,000**	550,000
More than five years	**300,000**	400,000
Total pledge receivable – volunteer center	**1,105,000**	1,275,000
Less: discount	**(175,733)**	(328,321)
Volunteer Center pledges receivable, net	**$ 929,267**	$ 946,679

NOTE G – EMPLOYEE RENTENTION CREDIT RECEIVABLE

The Consolidated Appropriations Act, 2021 (CAA) signed into law included additional COVID-19 related relief. The CAA substantially and retroactively expanded the Employee Retention Credit (ERC), a refundable tax credit against certain employment taxes equal to 50% of qualified wages an eligible employer paid to employees between March 12, 2020 and December 31, 2020. The ERC was previously not available to taxpayers who received a PPP loan under the CARES Act. Provisions in the CAA remove this barrier and allow companies that qualify to retroactively apply for the credit so long as the same wages are not used for both the credit and the PPP loan. The American Rescue Plan (ARP) extended and expanded the qualified wage cap on these credits through December 31, 2021.

Based on the additional provisions, the tax credit available in 2021 was equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee was increased to $10,000 of qualified wages per quarter. The Infrastructure Investment and Jobs Act, P.L. 117-58 ultimately ended the ERC at September 30, 2021. The Organization determined they were eligible for the ERC during the year ended December 31, 2023, and recorded a total of $423,769 included within miscellaneous income on the Statement of Activities. As of December 31, 2024, $283,750 was received by the Organization and $162,673 had not been received and is recorded as other receivables in the accompanying statements of financial position. This was subsequently collected.

Laws and regulations concerning government programs, including the Employee Retention Credit established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Organziation.

NOTE H – DEBT

Line of Credit
The Organization has a line of credit with a bank with a limit of $2,000,000 with an outstanding balance of $800,000 and $0 at December 31, 2024 and 2023, respectively. The interest rate on the line of credit is equal to the prime rate which was 6.35% at December 31, 2024.

NOTE I – NET ASSETS WITH DONOR RESTRICTION

Endowment Fund
The Executive Committee of the Organization created an endowment fund consisting of two components: 1) funds without donor restrictions to be directed by the Executive Committee and 2) donor restricted funds to be used for purposes determined by the donor. The purpose of the endowment is to support the mission of the Organization, which is to develop resources for addressing the social needs of the community. The objective of the underlying investments within the endowment fund is to allow for growth of principal balances and to provide an income stream for uses of the Organization. The endowments must not be exposed to undue credit, interest-rate nor foreign exchange risk. Unless otherwise stated in the donor agreement, the Endowment Finance Committee shall select the investment portfolio where the endowments will be invested as described in the Endowment Investment Policy of the Organization.

The Executive Committee defined the distribution policy for the endowment fund components. The board-designated endowment fund shall obtain a principal balance of $300,000 before the principal can be used. All income, defined as actual income less any fees and excluding any gains or losses on the account, may be paid out annually and the principal of the fund shall not be invaded unless otherwise determined by a two-thirds vote of the Executive Committee. The donor restricted endowment funds are distributed based upon the wishes of the donor and vary for each fund.

The Executive Committee of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring some portion of the donor-restricted endowment to be classified as net assets with donor restrictions. As a result, the Organization classifies as net assets with donor restrictions 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.

Endowment Net Asset Composition by Type of Fund as of December 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	**$ -**	**$ 2,616,663**	**$ 2,616,663**
Board-designated endowment funds	**2,608,962**	**-**	**2,608,962**
TOTAL FUNDS	**$ 2,608,962**	**$ 2,616,663**	**$ 5,225,625**

Endowment Net Asset Composition by Type of Fund as of December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 2,349,744	$ 2,349,744
Board-designated endowment funds	2,385,097	-	2,385,097
TOTAL FUNDS	$ 2,385,097	$ 2,349,744	$ 4,734,841

NOTE I – NET ASSETS WITH DONOR RESTRICTION (continued)

Changes in Endowment Net Assets for the Years Ended December 31, 2024 and 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets—January 1, 2023	$ 2,146,013	$ 2,064,735	$ 4,210,748
Interest and dividends, net of investment fees	63,810	42,314	106,124
Net appreciation (realized and unrealized)	175,274	242,719	417,993
Contributions	-	22,182	22,182
Appropriation of endowment assets for expenditure	-	(22,206)	(22,206)
Endowment net assets—December 31, 2023	**$ 2,385,097**	**$ 2,349,744**	**$ 4,734,841**
Interest and dividends, net of investment fees	**79,152**	**53,401**	**132,553**
Net appreciation (realized and unrealized)	**144,713**	**225,200**	**369,913**
Contributions	**-**	**10,500**	**10,500**
Appropriation of endowment assets for expenditure	**-**	**(22,182)**	**(22,182)**
Endowment net assets—December 31, 2024	**$ 2,608,962**	**$ 2,616,663**	**$ 5,225,625**

A summary of net assets with donor restriction for the years ended December 31, 2024 and 2023 is as follows:

	December 31,	
	2024	2023
PNC Adler endowment	**$ 284,576**	$ 256,924
Huntington Andrews endowment	**2,376,588**	2,125,639
Annual campaign income designated for future periods	**376,928**	477,234
Campaign car	**10,500**	22,182
Net assets released from restriction	**(55,000)**	(55,000)
Total	**$ 2,993,592**	$ 2,826,979

NOTE J – INVESTMENTS

Investments are stated at fair value based on quoted market prices and consist of the following:

	December 31, 2024		December 31, 2023	
	Cost	**Fair Value**	Cost	Fair Value
Investments:				
Money market funds	**$ 525,834**	**$ 525,834**	$ 246,159	$ 246,159
Common stocks	**3,099,280**	**4,416,581**	3,011,703	3,735,837
Corporate/government bonds	**354,371**	**353,946**	444,344	447,967
Mutual funds	**4,567,558**	**4,625,008**	4,726,324	4,693,027
Total Investments	**$ 8,546,770**	**$ 9,921,369**	$ 8,428,530	$ 9,122,990

Investment fees for the years ended December 31, 2024 and 2023 were $63,495 and $56,775, respectively.

NOTE K – FAIR VALUE MEASUREMENTS

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The Organization has characterized its financial instruments, based on the three levels of the fair value hierarchy, described as follows:

Level 1 fair values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value inputs are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly. Observable inputs include quoted market prices in active markets for similar assets, quoted prices in markets that are not active for identical or similar assets and other market observable inputs such as interest rate, credit spread and foreign currency exchange rates observable in the marketplace or derived from market transactions.

Level 3 fair values are based on at least one significant unobservable input for the asset. Level 3 securities contain unobservable market inputs and as a result considerable judgment may be used in determining the fair values.

Certain investments are measured at fair value using the net asset value (NAV) per share, or its equivalent, as a practical expedient. These investments include commingled funds which may include money market funds, common collective trusts and pooled separate accounts which are typically valued using the NAV provided by the investing agent. The Organization's holdings include money markets. In accordance with accounting guidance, these investments have not been classified in the fair value hierarchy.

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

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at quoted market prices on the last business day of the year.

Money market funds: As a practical expedient, valued at the NAV of shares held at year end.

Corporate/Government Bonds: Valued using pricing models using observable inputs for similar securities. This includes basing value on yields available on comparable securities of issuers with similar credit ratings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value of reflective of future fair values. Furthermore, while the Organization 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.

NOTE K– FAIR VALUE MEASUREMENTS (continued)

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2024 and 2023.

Assets Measured at Fair Value at December 31, 2024 on a Recurring Basis

Description	Level 1	Level 2	Level 3	Total
Investments measured at fair value:				
Corporate/Government bonds	**$ -**	**$ 353,946**	**$ -**	**$ 353,946**
Common stocks	**4,416,581**	**-**	**-**	**4,416,581**
Mutual funds	**4,625,008**	**-**	**-**	**4,625,008**
Subtotal investments at fair value	**9,041,589**	**353,946**	**-**	**9,395,535**
Investments at net asset value:				
Money market				**525,834**
Total				**$ 9,921,369**

Assets Measured at Fair Value at December 31, 2023 on a Recurring Basis

Description	Level 1	Level 2	Level 3	Total
Investments measured at fair value:				
Corporate/Government bonds	$ -	$ 447,967	$ -	$ 447,967
Common stocks	3,735,837	-	-	3,735,837
Mutual funds	4,693,027	-	-	4,693,027
Subtotal investments at fair value	8,428,864	447,967	-	8,876,831
Investments at net asset value:				
Money market				246,159
Total				$ 9,122,990

NOTE L – LEASES

Lessee Leases:
The Organization leases certain office equipment through non-cancellable operating leases. The Organization's lease agreements do not contain residual value guarantees, restrictions, or covenants. The operating lease expires in 2028. Assets acquired under operating leases are included in the Organization's right of use assets on the accompanying balance sheet.

In addition, the Organization has a finance lease that expires in 2027.

When leases contain future payments that are dependent on an index or rate, such as the consumer price index, the lease liability and ROU assets are initially measured using the index or rate at the commencement date.

NOTE L – LEASES (continued)

The following is an analysis of finance leased ROU assets included in property and equipment.

	December 31, 2024	2023
Equipment	**$ 55,585**	$ 55,585
Less accumulated depreciation	**24,025**	12,908
Total Finance Leased ROU Assets	**$ 31,560**	$ 42,677

The following table summarizes the lease costs for the years ended December 31, 2024, and 2023:

	2024	2023
Operating lease cost	**$ 1,225**	$ 455
Finance lease cost:		
Amortization of ROU assets	**11,117**	11,117
Interest on lease liabilities	**1,647**	2,103
Total lease cost	**$ 13,989**	$ 13,675

The following table summarizes the future rental payments required under the leases as of December 31, 2024:

Year-ending	Operating Leases	Finance Leases
2025	$ 1,225	$ 12,348
2026	1,225	12,348
2027	1,225	10,290
2028	1,021	-
2029	-	-
Total undiscounted rental payments	4,696	34,986
Less imputed interest	(364)	(2,011)
Total lease liabilities	$ 4,332	$ 32,975

The following table summarizes the lease term and rates as of December 31, 2024, and 2023:

	2024	2023
Weighted-average remaining term (years):		
Operating leases	**3.92**	4.83
Finance leases	**2.92**	3.83
Weighted-average discount rate:		
Operating leases	**4.38%**	4.38%
Finance leases	**4.36%**	4.36%

NOTE M – DEFINED CONTRIBUTION PLAN

The Organization has a 403(b) defined contribution pension plan covering all eligible employees. Employees may defer up to $23,000 and $22,500 of their annual compensation to the plan in 2024 and 2023, respectively. The Organization’s contributions to the plan are based on 4% of employee wages. Total pension plan contributions were $4,084 and $4,921 for the years ended December 31, 2024 and 2023, respectively.

NOTE N – RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Organization occasionally enters into transactions with affiliates of members of its Board of Trustees. These transactions primarily relate to depository and investment relationships with financial institutions.

NOTE O – DEFERRED COMPENSATION AGREEMENT

The Organization entered into a supplemental executive retirement agreement ("the agreement") on March 15, 2020, with the Organization's President. Subject to the President's continued employment with the organization, the President may earn amounts, at the Organization's discretion, for the period March 2020 through April 2024. The President shall be entitled to receive a distribution of such amounts, plus earnings thereon, at November 30, 2024. As of December 31, 2024, the Organization has recorded a liability of $96,468 related to the deferred compensation obligation.

NOTE P – CONCENTRATION OF RISK

The Organization maintains its cash in various financial institutions which, at times, may exceed federally insured limits of $250,000. The Organization has not experienced any losses from such accounts, and management believes the Organization is not exposed to significant credit risk related to bank deposit accounts. The Organization maintains a major portion of its funds in investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of financial position.

NOTE Q – SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through September 30, 2025, which is the date the financial statements were available to be issued.

The Organization has been awarded a $1,500,000 grant through the U.S. Department of Housing and Urban Development which is to be used for the purpose of the construction of the new facility. As of the report date, the Organization has submitted expenses for reimbursement and has received a portion of funds related to this grant.

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

BOARD OF TRUSTEES

THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The United Way of Youngstown and the Mahoning Valley (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024 and related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 30, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purposes of This Report

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

Packer Thomas

Canfield, Ohio
September 30, 2025

PACKER · THOMAS
Certified Public Accountants & Business Consultants
SINCE 1923

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

BOARD OF TRUSTEES
THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The United Way of Youngstown and the Mahoning Valley's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The United Way of Youngstown and the Mahoning Valley's major federal programs for the year ended December 31, 2024. The United Way of Youngstown and the Mahoning Valley's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The United Way of Youngstown and the Mahoning Valley complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of The United Way of Youngstown and the Mahoning Valley and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of The United Way of Youngstown and the Mahoning Valley's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The United Way of Youngstown and the Mahoning Valley's federal programs.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above have occurred, whether due to fraud or error, and express an opinion on The United Way of Youngstown and the Mahoning Valley’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The United Way of Youngstown and the Mahoning Valley’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The United Way of Youngstown and the Mahoning Valley’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The United Way of Youngstown and the Mahoning Valley’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of The United Way of Youngstown and the Mahoning Valley’s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purposes described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

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

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

Packer Thomas

Canfield, Ohio
September 30, 2025

The United Way of Youngstown and the Mahoning Valley
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2024

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Education			
Passed through by the Ohio Department of Education			
Twenty-First Century Community Learning Centers	84.287	N/A	$ 975,791
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	N/A	346,576
		Total U. S. Department of Education	1,322,367
U.S. Department of the Treasury			
Volunteer Income Tax Assistance (VITA)	21.009	N/A	54,000
		TOTAL EXPENDITURES OF FEDERAL AWARDS	$ 1,376,367

The accompanying notes are an integral part of this schedule of expenditures of federal awards.

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of The United Way of Youngstown and the Mahoning Valley under the programs of the federal government for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (*Uniform Guidance*). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, change in net assets and cash flows of The United Way of Youngstown and the Mahoning Valley.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *Uniform Guidance*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – INDIRECT COST RATE

The United Way of Youngstown and the Mahoning Valley did not elect to use the 10 percent or 15 the percent de minimis indirect cost rate allowed under the Uniform Guidance.

The United Way of Youngstown and the Mahoning Valley

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2024

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statement

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weakness identified?	☐	Yes	☑	No
• Significant deficiency identified?	☐	Yes	☑	None Reported
Noncompliance material to financial statements noted?	☐	Yes	☑	No

Federal Awards

Internal control over major programs:

• Material weakness identified?	☐	Yes	☑	No
• Significant deficiency identified?	☐	Yes	☑	None Reported

Type of auditor's report issued: Unqualified

Any audit findings disclosed required to be reported in accordance with 2 CFR 200.516(a)?	☐	Yes	☑	No

Identification of major programs

CFDA Numbers	Name of Federal Program or Cluster
84.287	Twenty-First Century Community Learning Centers

Dollar threshold used to distinguish between type A and type B programs? $750,000

Auditee qualified as low-risk auditee?	☐	Yes	☑	No

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported for the year ended December 31, 2024.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported for the year ended December 31, 2024.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the year ended December 31, 2024

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2023-001: FEDERAL AWARDS – The United Way of Youngstown and Mahoning Valley is responsible for the timely filing of the reporting package required under Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards which must be submitted within the earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period.

Statement of Criteria: An entity that exceeds $750,000 or more in federal awards expenditures during the fiscal year is required to obtain a Single Audit and file the reporting package with the Federal Audit Clearinghouse (FAC) by a specified due date.

Statement of Cause: Due to personnel turnover in the Organization's accounting area during the year, account reconciliations and posting of activity was not performed in a timely manner which caused delays in obtaining the necessary information for the performance of the audit.

Statement of Effect: As a result of the above, the audit was unable to be completed in a timely manner in order to meet the FAC filing deadlines.

Recommendation: Management should formalize monthly accounting and closing procedures to ensure timely financial reporting. They should also formalize a system of procedures and controls to ensure the Organization is meeting all applicable reporting requirements as they relate to federal awards.

Planned Corrective Action: Corrective action was taken.

PACKER · THOMAS

Certified Public Accountants & Business Consultants