

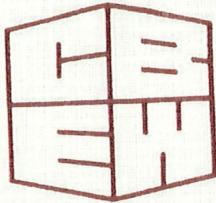
**UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma**

**FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023**

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Way of North Central Oklahoma, Inc.
Ponca City, Oklahoma

Opinion

We have audited the financial statements of United Way of North Central Oklahoma, Inc., (a nonprofit organization), which comprise the statement 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 accompanying financial statements present fairly, in all material respects, the financial position of United Way of North Central Oklahoma, Inc., 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 to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of North Central Oklahoma, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of North Central Oklahoma, Inc.'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 involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Federal and State Financial Awards and Schedule of Revenues and Expenditures by Fund are presented for purposes of additional analysis and are 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 April 23, 2025, on our consideration of United Way of North Central Oklahoma, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way of North Central Oklahoma, Inc.'s internal control over financial reporting and compliance.

CBEW Professional Group, LLP

CBEW Professional Group, LLP

Certified Public Accountants

April 23, 2025

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

STATEMENT OF FINANCIAL POSITION
December 31, 2024 and 2023

ASSETS

	December 31, 2024	December 31, 2023
Current assets:		
Cash and cash equivalents	\$ 642,273	\$ 636,867
Certificates of deposit	182,238	177,496
Investments	953,392	871,469
Pledges receivable, current portion	125,360	128,784
Grant receivable	6,402	4,498
Prepaid expense	2,350	2,315
Total current assets	<u>1,912,015</u>	<u>1,821,429</u>
Fixed assets:		
Property and equipment	216,807	217,386
Less accumulated depreciation	(129,080)	(122,686)
Total fixed assets	<u>87,727</u>	<u>94,700</u>
Total assets	<u><u>\$ 1,999,742</u></u>	<u><u>\$ 1,916,129</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 6,274	\$ 3,466
Accrued compensated absences	8,742	9,189
Agency allocation payable	308,453	280,360
Total current liabilities	<u>323,469</u>	<u>293,015</u>
Net assets:		
Net assets without donor restrictions		
Designated by Board for endowment	267,027	234,275
Undesignated	271,437	312,295
Net assets with donor restrictions		
Purpose restrictions	554,001	533,663
Endowment	583,808	542,881
Total net assets	<u>1,676,273</u>	<u>1,623,114</u>
Total liabilities and net assets	<u><u>\$ 1,999,742</u></u>	<u><u>\$ 1,916,129</u></u>

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

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and public support:			
United Way campaign	\$ -	\$ 458,567	\$ 458,567
Contributions	82,000	103,448	185,448
Grants	66,108	-	66,108
Rent income	9,120	-	9,120
Net investment income	50,522	77,869	128,391
Other income	5,292	-	5,292
Gain (loss) on disposition of assets	(136)	-	(136)
Net assets released from restrictions	<u>578,619</u>	<u>(578,619)</u>	<u>-</u>
Total revenues and public support	\$ 791,525	\$ 61,265	\$ 852,790
Expenses:			
Program services	\$ 650,019	\$ -	\$ 650,019
Management and general	87,682	-	87,682
Fundraising	<u>61,930</u>	<u>-</u>	<u>61,930</u>
Total expenses	799,631	-	799,631
Increase (decrease) in net assets	(8,106)	61,265	53,159
Net assets at beginning of year	546,570	1,076,544	1,623,114
Net assets at end of year	\$ 538,464	\$ 1,137,809	\$ 1,676,273

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

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and public support:			
United Way campaign	\$ -	\$ 430,110	\$ 430,110
Contributions	98,610	159,532	258,142
Grants	51,277	-	51,277
Rent income	9,120	-	9,120
Net investment income	38,328	64,080	102,408
Other income	2,622	-	2,622
Net assets released from restrictions	<u>599,901</u>	<u>(599,901)</u>	<u>-</u>
Total revenues and public support	\$ 799,858	\$ 53,821	\$ 853,679
Expenses:			
Program services	\$ 596,391	\$ -	\$ 596,391
Management and general	72,453	-	72,453
Fundraising	<u>73,115</u>	<u>-</u>	<u>73,115</u>
Total expenses	741,959	-	741,959
Increase (decrease) in net assets	57,899	53,821	111,720
Net assets at beginning of year	488,671	1,022,723	1,511,394
Net assets at end of year	\$ 546,570	\$ 1,076,544	\$ 1,623,114

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

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	Program Services	Management & General	Fundraising	Total
Compensation & related expenses:				
Salaries	\$ 130,901	\$ 37,953	\$ 22,785	\$ 191,639
Employee benefits	6,204	1,799	1,080	9,083
Payroll taxes	<u>11,366</u>	<u>3,579</u>	<u>2,419</u>	<u>17,364</u>
Total	148,471	43,331	26,284	218,086
Operational expenses:				
Agency grant allocation	308,453	-	-	308,453
Bad debt expense	29,559	-	-	29,559
Bank service charge	-	643	-	643
Campaign expense	-	-	31,566	31,566
Depreciation	5,281	2,971	-	8,252
Dues and subscriptions	2,037	1,019	1,019	4,075
Grants to agencies	17,095	-	-	17,095
Insurance	-	9,021	-	9,021
Office and postage expense	10,131	3,062	1,415	14,608
Professional fees	3,334	20,994	-	24,328
Rent	10,200	-	-	10,200
Repairs and maintenance	3,052	3,600	-	6,652
Special projects	32,019	-	-	32,019
Supplies	33,802	303	-	34,105
Training and education	-	474	-	474
Travel	2,812	618	-	3,430
Utilities	5,895	1,646	1,646	9,187
Volunteer expense	<u>37,878</u>	<u>-</u>	<u>-</u>	<u>37,878</u>
Total expenses	\$ 650,019	\$ 87,682	\$ 61,930	\$ 799,631

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

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023

	Program Services	Management & General	Fundraising	Total
Compensation & related expenses:				
Salaries	\$ 124,001	\$ 28,901	\$ 21,564	\$ 174,466
Employee benefits	3,060	713	532	4,305
Payroll taxes	<u>10,540</u>	<u>2,754</u>	<u>2,193</u>	<u>15,487</u>
Total	137,601	32,368	24,289	194,258
Operational expenses:				
Agency grant allocation	279,527	-	-	279,527
Bad debt expense	29,453	-	-	29,453
Bank service charge	-	713	-	713
Campaign expense	-	-	43,060	43,060
Depreciation	5,044	2,837	-	7,881
Dues and subscriptions	2,643	2,332	997	5,972
Grants to agencies	17,361	-	-	17,361
Insurance	-	8,540	-	8,540
Office and postage expense	15,193	3,893	3,018	22,104
Professional fees	2,989	16,015	-	19,004
Rent	10,200	-	-	10,200
Repairs and maintenance	5,800	3,371	-	9,171
Special projects	18,742	-	-	18,742
Supplies	29,180	-	-	29,180
Training and education	311	-	-	311
Travel	3,092	630	-	3,722
Utilities	6,148	1,754	1,751	9,653
Volunteer expense	<u>33,107</u>	<u>-</u>	<u>-</u>	<u>33,107</u>
Total expenses	\$ 596,391	\$ 72,453	\$ 73,115	\$ 741,959

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

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 53,159	\$ 111,720
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	8,252	7,881
(Gain) loss on disposition of fixed asset	136	-
Contributions restricted to endowment	-	-
(Increase) decrease in operating assets:		
Accounts receivable	-	3,976
Pledges receivable	3,424	41,493
Grant receivable	(1,904)	431
Prepaid expense	(35)	(377)
Increase (decrease) in operating liabilities:		
Accounts payable	2,808	(7,885)
Accrued compensated absences	(447)	3,504
Agency allocation payable	<u>28,093</u>	<u>(40,387)</u>
Net cash provided by (used in) operating activities	<u>93,486</u>	<u>120,356</u>
Cash flows from investing activities:		
(Purchase) of property and equipment	(1,415)	(5,476)
(Purchase) liquidation of investments	<u>(86,665)</u>	<u>(75,994)</u>
Net cash used in investing activities	<u>(88,080)</u>	<u>(81,470)</u>
Cash flows from financing activities:		
Collections of contributions restricted to endowment	-	-
Net cash provided by financing activities	-	-
Net increase (decrease) in cash and cash equivalents	5,406	38,886
Cash and cash equivalents, beginning of year	<u>636,867</u>	<u>597,981</u>
Cash and cash equivalents, end of year	<u>\$ 642,273</u>	<u>\$ 636,867</u>

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

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

The United Way of North Central Oklahoma, Inc. (the Organization), formally known as United Way of Ponca City, Inc., was created to improve people's lives by mobilizing the caring power of the communities. The Organization invests resources to address the most important needs in our communities by partnering with agencies that provide programs that focus on meeting the Organization's goals in the following community impact areas: education, financial stability and health and safety.

The Organization receives direct contributions, grants, and conducts an annual campaign to generate resources for the community.

The United Way of North Central Oklahoma, Inc., promotes the following programs:

Heartline provides a suicide prevention outreach program, compassionate listening, information and referral services, crisis intervention services and a gambling helpline.

Familywize is a free prescription discount card program for individuals in the community.

My Free Taxes is a free program where individuals that meet the requirements can file their taxes online.

RX for Oklahoma is a service which helps qualifying Oklahomans access prescription assistance programs provided by pharmaceutical manufacturing companies.

A Literacy Program was launched in 2019 and is a book gifting programs that gifts free books to children.

The United Way of North Central Oklahoma, Inc., sponsors the Retired Senior Volunteer Program (RSVP) of Ponca City and Kay County. RSVP engages senior volunteers from Kay County to assist staff in providing health education programs to the community.

B. Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Fees received from state governmental agencies are recognized when services are rendered.

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of LMOH and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

C. Cash and Cash Equivalents & Custodial Credit Risk

Cash and cash equivalents include cash accounts, money market, and all highly liquid investments with an initial maturity of three months or less. Cash restricted by a granting agency for a specific purpose is excluded from cash and cash equivalents. All bank deposits are held with banks located in Oklahoma that are insured by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2024, the Organization had bank balance at Equity Bank of \$291,474; thus, exceeding the FDIC limits of \$250,000 per bank by \$41,474. The underinsured portions of the accounts are backed solely by the assets of each bank. Therefore, failure of these banks could result in financial loss. Cash and cash equivalents at December 31, 2024 consisted for United Way accounts totaling \$428,275 and the RSVP account of \$213,998.

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Investments

Investments are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external investment expenses.

E. Grants Receivable

Grants receivable are amounts due from grantors on cost reimbursement or service grants. Management believes that all outstanding grants receivable are collectible in full, therefore, no allowance for uncollectible has been recorded.

F. Property, Furniture and Equipment

Depreciable assets are recorded at cost when purchased or at the estimated acquisition value at the time of contribution. All land and buildings are depreciated. Equipment is capitalized if it has a cost of \$500 or more and an estimated useful life greater than one year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is calculated on a straight-line basis over the estimated useful lives of the depreciable assets.

G. Contributions and Support

Management has analyzed the provision of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Not-for-Profit Entities (Topic 606): Revenue from Contracts with Customers. This ASU establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers, particularly, that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or service.

The major sources of revenue for the Organization's general operations are annual campaign, grants, and contributions. Therefore, the adoption of the guidance in Topic 606 did not impact the timing of revenue recognition for the Organization.

Contributions are recognized when the donor makes a promise to give (pledges) to the Organization that is, in substance, unconditional. Unconditional promises to give are recorded as received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

A portion of the Organization's revenue is derived from government cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. At December 31, 2024 and 2023, there were no refundable advances recorded.

Grants and other contributions of cash and other assets are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting periods are treated as net assets without donor restrictions.

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Contributed Services and In-Kind Contributions

United Way of North Central Oklahoma, Inc., receives a substantial amount of services donated by its members in carrying out the Organization's mission. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Contributed services have not been recognized in the accompanying statements of activities, as they do not meet the requirements for recognition.

I. Fair Value of Financial Instruments

The financial instruments of the Organization include cash and cash equivalents, certificates of deposit, investments, receivables, and accounts payable. The Organization's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial condition. The carrying amount of these financial instruments approximates fair value because of their short maturity.

FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted observable quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The basis of fair value measurement of financial instruments are as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. All of the entity's investments are determined to be Level 1.

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 at Fair Value as of December 31, 2024

	Level 1	Level 2	Level 3	Total
Money Market	\$ 14,643	\$ -	\$ -	\$ 14,643
Stocks, options & ETFs	508,502	-	-	508,502
Mutual Funds	407,237	-	-	407,237
Fixed income securities	23,010	-	-	23,010
Certificates of Deposit	182,238	-	-	182,238
Total assets at fair value	\$ 1,135,630	\$ -	\$ -	\$ 1,135,630

Assets at Fair Value as of December 31, 2023

	Level 1	Level 2	Level 3	Total
Money Market	\$ 23,549	\$ -	\$ -	\$ 23,549
Stocks, options & ETFs	526,531	-	-	526,531
Mutual Funds	321,389	-	-	321,389
Certificates of Deposit	177,496	-	-	177,496
Total assets at fair value	\$ 1,048,965	\$ -	\$ -	\$ 1,048,965

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain 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. Accordingly, actual results could differ from those estimates. The primary estimates are the allocation of expenses to functional categories.

K. Inventories

Inventories consist primarily of purchased items held for consumption. Administrative supplies are expensed when acquired. No material inventory was on hand at December 31, 2024 and 2023.

L. Income Taxes

The United Way of North Central Oklahoma, Inc., is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has been determined by the Internal Revenue Service not to be a "private foundation" with the meaning of Section 509(a) of the Internal Revenue Code. The Organization has not recognized any unrelated business income. As a result, no provision for current or deferred income tax liability is recognized in the Organization's books and records. The Organization has filed all applicable tax returns. Federal and state income tax statutes dictate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, the United Way of North Central Oklahoma, Inc., has no open examination with either the Internal Revenue Service or state taxing authorities.

2. DETAILED NOTES CONCERNING THE FUNDS

A. Pledges Receivable

The United Way of North Central Oklahoma, Inc., accounts for contributions or pledges receivable in accordance with FASB 958-310-50, *Accounting for Contributions Received and Contributions Made*.

Unconditional contributions with amounts due in more than 1 year are reflected at present value of estimated future cash flows using a discount rate. All pledges are expected to be received within the year, thus, a discount rate is not used. The Board has approved allowance of \$60,000 for uncollectible accounts.

	December 31, 2024	December 31, 2023
Gross amounts of pledges receivable	\$ 185,360	\$ 188,784
Less allowance for doubtful accounts	(60,000)	(60,000)
Net pledges receivable	<u><u>\$ 125,360</u></u>	<u><u>\$ 128,784</u></u>
 Amount due in:		
1 year or less	\$ 125,360	\$ 128,784
2 to 5 years	-	-
Over 5 years	-	-
Net pledges receivable	<u><u>\$ 125,360</u></u>	<u><u>\$ 128,784</u></u>

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

2. DETAILED NOTES CONCERNING THE FUNDS (Continued)

B. Fixed Assets

	Balance December 31, 2023	Additions and Reclassifications	Disposals	Balance December 31, 2024
Buildings and grounds	\$ 160,060	\$ 1,415	\$ (1,994)	\$ 159,481
Office equipment	42,469	-	-	42,469
RSVP equipment	14,857	-	-	14,857
Total	217,386	1,415	(1,994)	216,807
Less: accumulated depreciation	(122,686)	(8,252)	1,858	(129,080)
Net	<u><u>\$ 94,700</u></u>	<u><u>\$ (6,837)</u></u>	<u><u>\$ (136)</u></u>	<u><u>\$ 87,727</u></u>
	Balance December 31, 2022	Additions and Reclassifications	Disposals	Balance December 31, 2023
Buildings and grounds	\$ 160,060	\$ -	\$ -	\$ 160,060
Office equipment	39,142	3,327	-	42,469
RSVP equipment	12,708	2,149	-	14,857
Total	211,910	5,476	-	217,386
Less: accumulated depreciation	(114,805)	(7,881)	-	(122,686)
Net	<u><u>\$ 97,105</u></u>	<u><u>\$ (2,405)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 94,700</u></u>

Total depreciation for 2024 and 2023 was \$8,252 and \$7,881, respectively.

C. Compensated Absences

It is the Organization's policy to permit employees to accumulate earned but unused paid time off benefits. Employees are only able to carry forward unused paid time off based on their anniversary date. Upon resignation of employment, employees will be paid for the unused vacation time which has been accrued and not used through the last day of employment.

D. Agency Allocation Payable

Agency allocations are made at the beginning of each campaign as approved by the Board of Directors and are recorded as a payable to the agencies. These allocations are deemed to be an obligation and an expense of the United Way of North Central Oklahoma, Inc., at the time the allocation is approved. These allocations are disbursed ratably over the following twelve months.

E. Endowments

During 2007, the Organization adopted an endowment program and related policy to encourage, receive and administer long-term planned giving by individuals and entities through an endowment fund.

The Board of Directors has interpreted the Oklahoma Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At December 31, 2024 and 2023, there were no such donor stipulations. As a result of this interpretation, the Organization will retain in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA.

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

2. DETAILED NOTES CONCERNING THE FUNDS (Continued)

E. Endowments (Continued)

We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

As of December 31, 2024 and 2023, the Organization had the following endowment net asset composition:

December 31, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 131,033	\$ -	\$ 131,033
Donor-restricted endowment funds	\$ -	\$ 466,369	\$ 466,369
Accumulated investment gains (loss)	\$ 135,994	\$ 117,439	\$ 253,433
Total endowment funds	\$ 267,027	\$ 583,808	\$ 850,835

December 31, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 131,033	\$ -	\$ 131,033
Donor-restricted endowment funds	\$ -	\$ 466,369	\$ 466,369
Accumulated investment gains (loss)	\$ 103,242	\$ 76,512	\$ 179,754
Total endowment funds	\$ 234,275	\$ 542,881	\$ 777,156

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There were no underwater endowments at December 31, 2024 and 2023.

Investment and Spending Policies

The Organization has adopted investment and spending policies for the endowments that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets.

The Manering Endowment allows annual distributions up to 5% of the value of the endowment as of January 1. However, if the endowment value on January 1 is less than \$150,000, plus any additional contributions, then the annual distribution will be limited to the interest and dividends earned during the previous year. The Board may approve up to 10% of the annual distribution for the United Way Annual Campaign.

The Literacy Endowment allows annual distributions up to 5% of the total value of the endowment as of December 31 of the previous year if the interest and dividends generated are not sufficient to meet program needs.

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

2. DETAILED NOTES CONCERNING THE FUNDS (Continued)

E. Endowments (Continued)

Changes in Endowment net assets for the years ended December 31, 2024 and 2023:

December 31, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 234,275	\$ 542,881	\$ 777,156
Investment return, net	32,752	73,328	106,080
Contributions	-	-	-
Appropriations	-	(32,401)	(32,401)
Endowment net assets, end of year	\$ 267,027	\$ 583,808	\$ 850,835

December 31, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 206,182	\$ 505,679	\$ 711,861
Investment return, net	28,093	63,064	91,157
Contributions	-	-	-
Appropriations	-	(25,862)	(25,862)
Endowment net assets, end of year	\$ 234,275	\$ 542,881	\$ 777,156

F. Net Assets with Donor Restrictions & Board Designations

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31, 2024 and 2023:

	2024	2023
RSVP operations, payroll & supplies	\$ 81,436	\$ 93,039
Amounts pledged to fund subsequent year operations	428,700	400,110
Youth Program/Scholarships	43,865	40,514
Endowment	583,808	542,881
Total net assets with donor restrictions	\$ 1,137,809	\$ 1,076,544

The only board designated funds at December 31, 2024 and 2023 are included in Note 3E, which is an endowment.

3. RISK MANAGEMENT

United Way of North Central Oklahoma, Inc., is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; unemployment; and natural disasters. The Organization purchases commercial insurance for these and other risks of loss. Settled claims have not exceeded the commercial coverage in past years.

4. CONTINGENCIES

Grant expenditures are subject to financial and compliance audits by the grantor agencies or their representatives. Such audits could lead to requests for reimbursements to the grantor agency for expenditures that are disallowed under the terms of the grant. The Organization believes that the amount of the expenditures that could be disallowed by the grantor agencies, if any, would not be significant.

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

5. OPERATING LEASES

Lessor

The Organization has lease agreements in which they are the lessor and lease out offices in their building. These agreements are only for twelve months, ending December 31, and either party can terminate the agreement without any cause. In 2024 and 2023, the Organization recognized \$9,120 in rental income.

Lessee

The Organization leases office space for its RSVP operations. The lease agreement is for one year (ending December 31) with payments of \$850 per month, and either party may terminate the agreement at any time. This lease does not meet the criteria of FASB 842; therefore, right-of-use assets and related lease liabilities are not recorded. In 2024 and 2023, the Organization paid \$10,200 and \$10,200, respectively, in rent expense.

6. FUNCTIONAL EXPENSES

Per requirement of FASB ASU 2016-14, the United Way of North Central Oklahoma, Inc. adopted a policy for allocation of functional expenses. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology and communication, interest, insurance, and other, which are allocated on the basis of estimates of time, effort, and specific use.

7. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet, comprise of the following:

	2024	2023
Cash and cash equivalents	\$ 642,273	\$ 636,867
Certificates of deposit	182,238	177,496
Investments	953,392	871,469
Accounts receivable	-	-
Pledges receivable	125,360	128,784
Grants receivable	6,402	4,498
Financial assets, at year-end	1,909,665	1,819,114
Less net assets with donor restrictions	(1,137,809)	(1,076,544)
Less board designated net assets	(267,027)	(234,275)
Less allocations payable to agencies	(308,453)	(280,360)
Financial assets available to meet cash needs for general expenditures within one year	\$ 196,376	\$ 227,935

In 2024, United Way of North Central Oklahoma, Inc., had \$1,909,665 of financial assets available at year end. Of that amount, \$1,137,809 is restricted for use as designated by the endowment or donor, \$267,027 is board designated endowment funds, and \$308,453 has already been allocated to agencies for 2025. At year end, the Organization had \$196,376 of financial assets available within 1 year of the balance sheet date to meet cash needs for general expenditures.

In 2023, United Way of North Central Oklahoma, Inc., had \$1,819,114 of financial assets available at year end. Of that amount, \$1,076,544 is restricted for use as designated by the endowment or donor, \$234,275 is board designated endowment funds, and \$280,360 has already been allocated to agencies for 2024. At year end, the Organization had \$227,935 of financial assets available within 1 year of the balance sheet date to meet cash needs for general expenditures.

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024 and 2023

7. LIQUIDITY AND AVAILABILITY (Continued)

The Organization is primarily supported through contributions, campaign, grants, and other revenues. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events and transactions through the date of the audit report, which is the date the financial statements were available to be issued and have determined that no additional information will need to be added to the financial statements.

**UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma**

**SUPPLEMENTAL INFORMATION
DECEMBER 31, 2024**

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

SUPPLEMENTARY SCHEDULE OF FEDERAL AND STATE FINANCIAL AWARDS
For the Year Ended December 31, 2024

<u>Program Title</u>	<u>Contract Period</u>	<u>Contract Number</u>	<u>ALN</u>	<u>Contract Award</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Corporation for National and Community Service:						
RSVP	4/1/24-3/31/25	23SRGOK003	94.002	\$ 64,139	\$ 58,385	\$ 58,385
	7/1/23-3/1/2024	23SRGOK003	94.002	32,139	7,723	7,723
				<u>96,278</u>	<u>66,108</u>	<u>66,108</u>
Sub-total Corporation for National and Community Service				<u>96,278</u>	<u>66,108</u>	<u>66,108</u>
Total Federal Awards and Expenditures						

Note A - Basis of Presentation - The accompanying schedule of federal and state financial awards (the Schedule) includes the state award activity of United Way of North Central Oklahoma, Inc., under programs of the state government for the year ended December 31, 2024. Because the Schedule presents only a selected portion of the operations of United Way of North Central Oklahoma, Inc., it is not intended and does not present the financial position, changes in net assets, or cash flows for United Way of North Central Oklahoma, Inc.

Note B - Summary of Significant Accounting Policies - Expenditures reported on the Schedule are reported using the accrual basis of accounting. Such expenditures are recognized following cost principles, wherein certain types of expenditures are not allowable or are limited as to reimbursement. United Way of North Central Oklahoma, Inc. has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

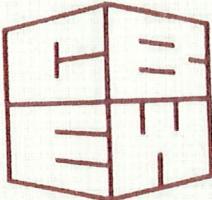
UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

SUPPLEMENTARY STATEMENT OF REVENUES AND EXPENSES BY PROGRAM
For the Year Ended December 31, 2024

	<u>Local</u>	<u>RSVP</u>	<u>Total</u>
Support and Revenues			
United Way campaign	\$ 458,567	\$ -	\$ 458,567
Contributions	39,415	146,033	185,448
Grants	-	66,108	66,108
Rent income	9,120	-	9,120
Investment income	128,161	230	128,391
Other income	5,292	-	5,292
Net assets released from restrictions	(136)	-	(136)
Total support and revenues	640,419	212,371	852,790
Expenses:			
Compensation and related expenses	105,420	112,666	218,086
Advertising and public relations	-	-	-
Agency grant allocation	308,453	-	308,453
Bad debt expense	29,559	-	29,559
Bank service charge	643	-	643
Campaign expense	31,566	-	31,566
Depreciation	6,722	1,530	8,252
Dues and subscriptions	4,075	-	4,075
Grants to agencies	17,095	-	17,095
Insurance	7,148	1,873	9,021
Office and postage expense	7,922	6,686	14,608
Professional fees	23,072	1,256	24,328
Rent	-	10,200	10,200
Repairs and maintenance	6,652	-	6,652
Special projects	30,779	1,240	32,019
Supplies	303	33,802	34,105
Training and education	474	-	474
Travel	1,236	2,194	3,430
Utilities	6,584	2,603	9,187
Volunteer expense	-	37,878	37,878
Total expenses	587,703	211,928	799,631
Revenues over (under) expenses	\$ 52,716	\$ 443	\$ 53,159

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.
Ponca City, Oklahoma

REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
DECEMBER 31, 2024



CBEW
Professional
Group, LLP
Certified Public Accountants

CHARLES E. CROOKS, CPA
TRISHA J. RIEMAN, CPA
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**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**

April 23, 2025

To the Board of Directors of
United Way of North Central Oklahoma, Inc.
Ponca City, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of North Central Oklahoma, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 23, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way of North Central Oklahoma, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

United Way of North Central Oklahoma, Inc.
April 23, 2025

Organization's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on United Way of North Central Oklahoma, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. United Way of North Central Oklahoma, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBEW Professional Group, LLP

CBEW Professional Group, LLP
Certified Public Accountants

UNITED WAY OF NORTH CENTRAL OKLAHOMA, INC.

SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2024

2024-001. Internal Control – Material Adjusting Journal Entries

Criteria: The organization's management is responsible for internal controls over accounting and financial reporting. This responsibility includes the design and implementation of controls over the fair and complete presentation of the organization's annual financial statements in accordance with generally accepted accounting principles (GAAP) from trial balances derived from the organization's accounting records. For trial balances to be both complete and accurate, the organization must have effective internal controls over recording, processing, summarizing, and adjusting accounting data. As evidence of effective internal controls over accounting and financial reporting, there should generally be few, if any, material adjustments to the trial balances required that are detected and corrected solely as a result of the financial statement audit. In other words, organization management should not rely on the external auditor to detect and correct material misstatements in the books and records as part of its internal controls, but rather should have its own procedures designed and in place that are independent of the external auditor to provide reasonable, although not absolute, assurance that material misstatements will be detected and corrected in its trial balances prior to audit.

Condition: The organization's trial balances for the year ended December 31, 2024, required a number of material adjusting journal entries in order for the financial statements to be prepared in accordance with GAAP. These necessary adjusting entries, identified solely as a result of the financial statement audit, included such adjustments as the following: cash, pledge income, and donation income. This finding was also noted in 2023.

Cause: The organization's Board has the necessary knowledge, expertise and education, relative to the complex nature of applying GAAP applicable to state and local organizations, to provide reasonable assurance that the trial balances used for preparing the GAAP financial statements are complete and accurate prior to audit. Management has relied on the external auditors to identify and correct a number of material misstatements in the trial balances. However, as required by professional standards, management had the capacity to review, understand and accept the adjusting entries proposed by the auditor in order to take full responsibility for them and the related financial statements.

Effect or Potential Effect: As a result of this condition, without assistance on its external auditors, the organization did not apply appropriate internal controls over the completeness and accuracy of the trial balances that are used in the preparation of its financial statements in accordance with GAAP. This condition can result in undetected and uncorrected material misstatements in the financial statements that are not detected by management and may also not be detected by the financial statement audit.

Recommendation: The organization should consider designing and implementing sufficient internal controls over the completeness and accuracy of trial balances by obtaining the necessary knowledge, expertise, and continuing education to apply GAAP in the development of working trial balances that will be used to prepare the organization's annual financial statements. This could be achieved through employment of qualified accounting staff or the outsourcing of these control activities to a qualified accounting firm other than the external auditor. After year end, the organization has hired a qualified accounting firm to assist with financial reporting.

Responsible Official's Response: The organization concurs with the recommendation and has an outsourced bookkeeper that will take on an active role in financial reporting. This will allow the organization to identify and correct material misstatements timely.