United Way of Central Oklahoma, Inc.

Independent Auditor's Report and Consolidated Financial Statements

December 31, 2025

United Way of Central Oklahoma, Inc.
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Independent Auditor's Report

Board of Directors
United Way of Central Oklahoma, Inc.
Oklahoma City, Oklahoma

Opinion

We have audited the consolidated financial statements of United Way of Central Oklahoma, Inc. (United Way), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of United Way as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are required to be independent of United Way and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the December 31, 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated August 19, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Forvis Mazars, LLP

Oklahoma City, Oklahoma
June 29, 2026

United Way of Central Oklahoma, Inc.
Consolidated Statement of Financial Position
(With Summarized Consolidated Financial Information for December 31, 2024)
December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total 2025	Total 2024
ASSETS				
Cash and cash equivalents	$ 15,882,742	$ 330,691	$ 16,213,433	$ 15,338,435
Pledges receivable, net	7,696,663	-	7,696,663	8,866,500
Certificates of deposit	1,535,931	-	1,535,931	1,526,340
Beneficial interest in assets held by others	4,076,478	162,157	4,238,635	3,662,057
Property and equipment, net	2,325,218	-	2,325,218	2,450,205
Right-of-use asset – operating leases	34,597	-	34,597	-
Other assets	129,448	-	129,448	185,239
Total Assets	$ 31,681,077	$ 492,848	$ 32,173,925	$ 32,028,776
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable and accrued expenses	$ 733,126	$ 47,527	$ 780,653	$ 743,157
Lease liabilities	34,597	-	34,597	-
Allocations and designations payable	5,841,561	10,000	5,851,561	5,613,820
Total Liabilities	6,609,284	57,527	6,666,811	6,356,977
Net Assets	25,071,793	435,321	25,507,114	25,671,799
Total Liabilities and Net Assets	$ 31,681,077	$ 492,848	$ 32,173,925	$ 32,028,776

United Way of Central Oklahoma, Inc.
Consolidated Statement of Activities
(With Summarized Consolidated Financial Information for December 31, 2024)
Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total 2025	Total 2024
Support and Other Revenue				
Public support	$ 20,274,447	$ 10,000	$ 20,284,447	$ 18,052,375
Public support – in-kind	468,210	-	468,210	376,641
Less designations	6,512,355	-	6,512,355	3,797,274
Net public support	14,230,302	10,000	14,240,302	14,631,742
Administrative fees	286,284	-	286,284	298,053
Less uncollectible pledges	239,755	-	239,755	384,609
Net support revenue	14,276,831	10,000	14,286,831	14,545,186
Interest income	496,734	10,000	506,734	560,788
Endowment investment income	479,467	17,800	497,267	319,334
Miscellaneous	48,041	-	48,041	76,009
Grants	-	170,697	170,697	197,540
Total other revenue	1,024,242	198,497	1,222,739	1,153,671
Net assets released from restrictions	632,883	(632,883)	-	-
Total Support and Other Revenue	15,933,956	(424,386)	15,509,570	15,698,857
Allocations and Expenses				
Allocations to agencies	10,381,303	-	10,381,303	9,870,219
Community investments and services	1,649,935	-	1,649,935	1,770,539
Disaster relief	4,878	-	4,878	71,530
Leadership	484,804	-	484,804	318,869
Volunteer services	205,168	-	205,168	191,529
Resource development	1,499,736	-	1,499,736	1,531,408
Organization administration	1,448,431	-	1,448,431	1,396,931
Total Allocations and Expenses	15,674,255	-	15,674,255	15,151,025
Increase (Decrease) in Net Assets	259,701	(424,386)	(164,685)	547,832
Net Assets, Beginning of Year	24,812,092	859,707	25,671,799	25,123,967
Net Assets, End of Year	$ 25,071,793	$ 435,321	$ 25,507,114	$ 25,671,799

United Way of Central Oklahoma, Inc.
Consolidated Statement of Cash Flows
(With Summarized Consolidated Financial Information for December 31, 2024)
Year Ended December 31, 2025

	2025	2024
Operating Activities		
Increase (decrease) in net assets	$ (164,685)	$ 547,832
Items not requiring (providing) cash		
Depreciation	237,218	252,178
Provision for uncollectible pledges	239,755	384,609
Change in value of beneficial interest	(514,470)	(331,315)
Loss on disposal of property and equipment	11,048	-
Contributed property and equipment	(2,000)	(1,330)
Changes in operating assets and liabilities		
Pledges receivable	930,082	(1,588,538)
Other assets	55,791	28,343
Accounts payable and accrued expenses	37,496	(217,199)
Operating lease liabilities	(5,872)	-
Amortization of right-of-use-assets	5,872	-
Allocations and designations payable	237,741	356,052
Net Cash Provided by (Used in) Operating Activities	1,067,976	(569,368)
Investing Activities		
Proceeds from maturities of certificates of deposit	1,552,482	1,622,357
Purchase of certificates of deposit	(1,552,482)	(1,923,258)
Reinvestment of certificates of deposit interest	(9,590)	(29,227)
Funds transferred to beneficial interest in assets held by others	(62,109)	(182,374)
Purchase of property and equipment	(121,279)	(69,726)
Net Cash Used in Investing Activities	(192,978)	(582,228)
Change in Cash and Cash Equivalents	874,998	(1,151,596)
Cash and Cash Equivalents, Beginning of Year	15,338,435	16,490,031
Cash and Cash Equivalents, End of Year	$ 16,213,433	$ 15,338,435
Supplemental Cash Flows Information		
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 40,469	$ -

United Way of Central Oklahoma, Inc.
Consolidated Statement of Functional Expenses
Year Ended December 31, 2025

	Allocations to Agencies	Community Investments and Services	Disaster Relief	Leadership	Volunteer Services	Total Program Services	Resource Development	Organization Administration	Total Supporting Services	Total
Salaries – employees	$ -	$ 611,098	$ 2,754	$ 215,238	$ 83,565	$ 912,655	$ 594,237	$ 661,363	$ 1,255,600	$ 2,168,255
Payroll taxes	-	44,144	199	15,548	6,037	65,928	42,926	47,775	90,701	156,629
Employee benefits	-	135,865	612	47,854	18,579	202,910	132,116	147,040	279,156	482,066
Total salaries and related expenses	-	791,107	3,565	278,640	108,181	1,181,493	769,279	856,178	1,625,457	2,806,950
Professional fees	-	42,093	190	14,826	5,756	62,865	78,361	195,201	273,562	336,427
Supplies	-	4,550	15	1,942	848	7,355	6,745	6,348	13,093	20,448
Telephone	-	7,264	33	2,558	993	10,848	7,063	7,861	14,924	25,772
Postage and shipping	-	559	1	6,557	328	7,445	8,578	5,406	13,984	21,429
Occupancy	-	46,429	209	16,353	6,349	69,340	45,148	54,734	99,882	169,222
Campaign expense, printing, and awards	-	20,170	36	25,196	1,345	46,747	286,834	8,753	295,587	342,334
Local travel	-	6,694	28	2,239	862	9,823	9,382	6,824	16,206	26,029
Training and development	-	4,544	12	1,058	376	5,990	2,675	3,278	5,953	11,943
Membership dues	-	102,157	263	20,688	13,699	136,807	69,289	100,060	169,349	306,156
Equipment maintenance	-	19,365	80	12,403	2,657	34,505	17,758	45,370	63,128	97,633
Miscellaneous	-	11,448	145	73,336	35,246	120,175	90,126	37,664	127,790	247,965
State campaign expense	-	-	-	-	-	-	14,359	15,981	30,340	30,340
City campaign expense	-	-	-	-	-	-	29,126	32,416	61,542	61,542
Support provided to partner agencies	10,381,303	137,846	-	5,460	19,386	10,543,995	-	-	-	10,543,995
Support provided to other beneficiaries	-	388,852	-	-	-	388,852	-	-	-	388,852
Depreciation	-	66,857	301	23,548	9,142	99,848	65,013	72,357	137,370	237,218
Total allocations and expenses	$ 10,381,303	$ 1,649,935	$ 4,878	$ 484,804	$ 205,168	$ 12,726,088	$ 1,499,736	$ 1,448,431	$ 2,948,167	$ 15,674,255

See Notes to Consolidated Financial Statements

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

United Way of Central Oklahoma, Inc. (United Way of Central Oklahoma or United Way) is a charitable organization that provides funding to nearly 70 nonprofit organizations located in multiple counties in central Oklahoma. These organizations, called partner agencies, provide programs and services in United Way of Central Oklahoma's four focus areas: Youth Opportunity, Healthy Communities, Financial Sustainability, and Community Resiliency. United Way of Central Oklahoma also serves as a community convener, bringing together business and community leaders, nonprofit organizations, representatives of government, and stakeholders to address health and human service issues.

In addition to its annual fundraising campaign, United Way of Central Oklahoma manages (*i.e.*, receives and processes donor pledges and payments, providing the appropriate tax receipting to the donor) the annual campaigns for United Way of Canadian County, LLC and United Way of Logan County, LLC (both single-member LLCs, of which United Way of Central Oklahoma is the sole member) and Embrace OKC, as well as the Oklahoma State Employee Charitable Contribution Campaign (State Campaign) and the Oklahoma City Municipal Employee Charitable Contribution Campaign (City Campaign). United Way of Central Oklahoma also participates (*i.e.*, receives funds as a federation from a third party rather than from the donor) in the Combined Federal Campaign (CFC).

A summary of significant accounting policies applied in the preparation of the consolidated financial statements follows.

Basis of Presentation

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for nonprofit entities. The consolidated financial statements consist of the consolidated financial statements of United Way of Central Oklahoma, which include the accounts of United Property Acquisition LLC; United Way of Canadian County, LLC; and United Way of Logan County, LLC since United Way of Central Oklahoma is the sole member of these LLCs.

All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. Under the accrual method of accounting, support and revenue are recognized when a promise is made, and expenses are recorded as liabilities when incurred, without regard to the timing of receipt or payment of cash.

Under these provisions, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of United Way and changes therein are classified and reported as follows:

- Net assets without donor restrictions are not restricted by donors or the donor-imposed restrictions have expired. These net assets represent funds that are fully available, at the discretion of management and the board, for United Way to utilize in any of its programs or supporting services.
- Net assets with donor restrictions are comprised of funds subject to stipulations imposed by donors. Some donor restrictions are temporary in nature and will be met by actions of United Way or by the passage of time. Other donor restrictions may be perpetual in nature, *i.e.*, the donor having stipulated the funds be maintained in perpetuity. The related income generated by those perpetual funds may be expended for purposes, as determined by United Way.
- Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities. Conditional contributions having donor stipulations that are satisfied in the period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Prior-Year Comparative Totals

The consolidated financial statements include certain prior year summarized consolidated comparative information. Such information does not include complete information required by Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, such as activity by net asset classification. Accordingly, such information should be read in conjunction with United Way's consolidated financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Cash and Cash Equivalents and Certificates of Deposit

United Way considers all certificates of deposit with a maturity of three months or less and money market funds to be cash equivalents.

At December 31, 2025, United Way's cash and certificates of deposit accounts held at its banks cumulatively exceeded federally insured limits by approximately $3,236,000. United Way reviewed independent assessments of the financial strength of these financial institutions and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investments and Investment Return

United Way holds certificates of deposit issued by various financial institutions. Certificates of deposit are recorded at cost, which approximates fair value. The certificates of deposit bear interest at rates ranging from 3.02% to 4.55% and have remaining maturity dates ranging from 3 to 12 months as of December 31, 2025. Investment return is reflected in the consolidated statements of activities as with donor restrictions and without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Pledges Receivable

Pledges receivable are derived from the annual campaign, State Campaign, and City Campaign and represent amounts from donor pledges received by United Way through the end of a calendar year. As a result, annual public support revenue reflected in the consolidated financial statements may not align with total amounts ultimately raised during each annual campaign since annual campaigns are not based on the calendar year. Pledges received in 2025 related to the 2024 campaign were approximately $970,000, and pledges received in 2024 related to the 2023 campaign were approximately $1,070,000. Pledges receivable include one-time as well as recurring pledges. Pledges may be remitted through cash, check, credit card, publicly traded stock, or payroll deduction.

United Way estimates that a significant portion of the pledges receivable will be collected within a 15-month period. Therefore, United Way has not discounted its pledges receivable because the carrying value approximates fair value, except when pledges extend into future years. In cases such as this, the pledges are shown net of the discounted amount. United Way's pledges receivable, which are not restricted as to purpose or time by the donor, are reported in net assets without donor restrictions. Pledges that are restricted as to purpose or time by the donor are reported as net assets with donor restrictions.

Allowance for Uncollectible Pledges

United Way's allowance for uncollectible pledges is based on historical losses incurred from uncollectible pledges adjusted, if necessary, for unusual circumstances that may affect the ultimate collection of pledges and specific accounts identified as collectible or uncollectible by management. When United Way becomes aware a pledge is uncollectible, it immediately charges off the pledge.

Property and Equipment

Purchased property and equipment of $1,000 or more and a useful life greater than one year are recorded at cost, while donated equipment and art are recorded at fair value at the date of receipt. Depreciation is charged to expense using the straight-line method over the estimated useful life of each asset. Donated art is not depreciated.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings and improvements	30 years
Furniture and equipment	3–7 years
Computer software	1–3 years

Leases

United Way determines if an arrangement is a lease or contains a lease at inception based on whether the contract conveys the right to control the use of identified property or equipment for a period of time in exchange for consideration. Leases result in the recognition of right-of-use (ROU) assets and lease liabilities on the consolidated statement of financial position. ROU assets represent United Way's right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. United Way determines lease classification as operating or finance at the lease commencement date.

During the year ended December 31, 2025, United Way entered into two multi-year equipment leases related to office operations, including copiers and a postage machine. These leases are considered operating leases by United Way.

The United Way combines lease and nonlease components, such as maintenance costs, and accounts for them as a single lease component in calculating the ROU assets and lease liabilities for its office equipment.

At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset is equal to the lease liability, adjusted for any prepaid lease payments, initial direct costs, and lease incentives, if applicable. United Way uses a risk-free discount rate (based on U.S. Treasury securities) for the measurement of lease liabilities, as permitted for nonpublic entities. The risk-free rate is determined using a period comparable with the lease term at the lease commencement date. The lease term may include options to extend or terminate the lease when it is reasonably certain that such options will be exercised.

Lease expense for operating leases is recognized on a straight-line basis over the lease term and is included in organizational administration and supporting services within the statement of activities and the statement of functional expenses, respectively.

United Way has elected not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. Lease expense for short-term leases is recognized on a straight-line basis over the lease term.

Long-Lived Asset Impairment

United Way evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the year ended December 31, 2025.

Contributions

Revenues include contributions (pledges and amounts received) from the annual fundraising campaigns. Contributions are considered available for unrestricted use unless they are specifically restricted by the donor. Pledges and donations are recorded in the year they are received as either with donor restrictions revenue or without donor restrictions revenue. Contributions are recorded as received at their net realizable value. As restrictions on net assets with donor restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the consolidated statements of activities. Contributions originally restricted by the donor and for which the restriction is met in the same year are recorded initially as net assets with donor restrictions and then subsequently released from restriction. Contributions that are conditioned on the United Way meeting certain requirements are not recorded until the conditions have been met. Allocations to agencies are recognized in the year the related commitments are made by United Way.

Certain contributions received in fundraising campaigns are designated by individuals for specific agencies. Accounting standards require that organizations who received contributions that are designated by donors for other organizations exclude such designated contributions from the amount recognized as contributions received and made. United Way classifies and reports such designations in its consolidated statements of activities as a reduction of public support (see Note 8 for more information on contributions received as part of a governmental campaign).

Relationship With United Way Worldwide

United Way is a member of United Way Worldwide. As a member of United Way Worldwide, United Way may utilize the United Way Worldwide brand, including logo, merchandise, name recognition, and credibility as a reputable nonprofit organization. With membership, United Way must adhere to required standards of reporting to United Way Worldwide. Dues paid represent approximately 1% of the amount raised in the prior year annual campaign. Approximately $254,000 was expensed in 2025, which will be paid to United Way Worldwide in 2026 and is included in accounts payable and accrued expenses.

Contributed Services

During the 2025 annual campaign, contributed services in the amount of approximately $85,000 (determined by the number of weeks of service multiplied by the person's estimated weekly salary), were received in connection with the loaned executive program, a program whereby various businesses in the community loan their executives to United Way to perform various administrative and fundraising duties in connection with the annual campaign. In addition to contributed services related to the loaned executive program, United Way received approximately $1,607,000 of contributed advertising services related to various campaign efforts during 2025. The services contributed to United Way, which demonstrate a broad level of community support, have not been recognized in the consolidated financial statements, as they represent services of a nonprofessional nature or because United Way would not have purchased such services if they were not contributed. In addition, a substantial number of volunteers annually contribute significant amounts of their time to United Way's fundraising campaigns, community investment process, and various community projects. However, there is no objective basis available to measure the value of these services; therefore, these services have not been recognized in the consolidated financial statements.

Contributed Nonfinancial Assets

In addition to receiving cash contributions, United Way receives in-kind contributions of goods and services from various donors. It is the policy of United Way to record the estimated fair value of certain in-kind donations as an expense in its consolidated financial statements and similarly increase contribution revenue by a like amount. For donated capital assets, United Way records an in-kind donation and capital asset. Fair value is determined based on market prices and information received from the donor. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

In-kind contributions of $468,210 were received and used by United Way in various programmatic and support services, which consisted of the following for the year ended December 31, 2025:

Production, advertising, video, and creative design	$ 250,000
Computers, equipment, and technology services	63,200
Food, beverage, venue, and fundraising-related items	72,239
Professional services	20,828
Initiatives	61,943
	$ 468,210

Income Taxes

The Internal Revenue Service has determined United Way is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as organizations described in Section 501(c)(3). Taxes may be assessed at the normal corporate rates on income derived from unrelated business activities not substantially related to United Way's exempt function. There was no unrelated business taxable income in 2025.

Management has reviewed United Way's tax positions and concluded there are no uncertain tax positions that require adjustments in order for the consolidated financial statements to be in compliance with authoritative guidance. Any penalties or interest expense, if incurred, would be charged to miscellaneous expense in the consolidated statements of functional expenses.

Designated Pledges Held for Other Agencies

United Way provides campaign donors with the option to designate pledges to United Way partner agencies in the annual campaign. The State Campaign and the City Campaign (each managed by United Way) and the CFC require donors to designate their pledges. United Way does not have title or ownership of these designated assets, nor does it have the right of variance and, as such, these gifts constitute agency transactions. United Way honors all designations, including those of federal employees who participate in the CFC, by distributing a proportionate share of receipts based on donor designations to each participating United Way partner agency. Designated pledges are paid out in accordance with United Way policy or the applicable governmental campaign guidelines (see Note 8).

In accordance with United Way Worldwide membership standards, these designations are included in gross public support on the consolidated statements of activities but are then deducted to arrive at United Way's net public support revenue.

Allocations and Commitments to Agency Programs

In June 2025, United Way made awards to partner agency programs to allocate funds raised in the 2024 campaign to be paid for the period from July 1, 2025 through June 30, 2026. Accordingly, as of December 31, 2025, a liability was recorded for the unpaid balance of the awards payable as of that date.

In addition, allocation amounts to be paid to agency programs from pledges made for the 2025 campaign are conditional until approved by the board. Accordingly, no allocations payable related to the 2025 campaign have been recorded in the consolidated financial statements because a binding commitment had not been made at December 31, 2025.

In June 2026, the board approved allocations and designations of approximately $11,652,000 for the 2025 campaign funds for which payouts were set to begin on July 1, 2026.

Functional Allocation of Expenses

Except for certain expenses that are directly allocable, all expenses have been allocated to program and supporting functions based upon the estimated time spent by each employee for each function.

Joint Costs

The costs of joint activities (involving fundraising) that are identifiable with a particular function are charged to that function, and joint costs are allocated between fundraising and the appropriate program or supporting function if the purpose, audience, and content criteria are met. If the purpose, audience, and content criteria are not met, all costs of the activity are charged to fundraising, as set forth in ASC 958-720.

Resource Development Expenses

United Way engages in certain fundraising activities for the purpose of generating funds to support partner agency programs and overall operations of United Way. Expenses associated with these activities totaled $1,499,736 for the year ended December 31.

Administrative Fees

Administrative fees are earned and recognized over the term of the City Campaign, State Campaign, and annual campaign as United Way provides administrative services to the City Campaign and State Campaign and as designations are received during the annual campaign. Revenue is reported at the amount of consideration to which United Way expects to be entitled in exchange for providing administrative services. The transaction price for the City Campaign and the State Campaign is 10% of contributions based on regulations established by these entities indicating that administrative costs are the lesser of actual administrative costs or 10%. The transaction price for administrative fees on designations within the United Way campaign is based on the overhead rate incurred by United Way to manage the campaign.

Note 2. Pledges Receivable

Amounts included in pledges receivable are as follows at December 31, 2025:

2025 campaign	$ 7,717,983
2024 campaign	476,761
Future campaign years (net of discount)	88,912
	8,283,656
Less allowance for uncollectible pledges	586,993
Pledges receivable, net	$ 7,696,663

Pledges for the campaigns are typically collected within 15 months of the end of the campaign. Pledges for future campaign years will be collected in 1 to 2 years.

Note 3. Property and Equipment

Property and equipment are summarized as follows at December 31, 2025:

Buildings and improvements	$ 4,469,438
Land and improvements	85,000
Furniture and equipment	988,475
Computer software	266,594
Art	24,200
	5,833,707
Less accumulated depreciation	3,508,489
Property and equipment, net	$ 2,325,218

Note 4. Interest in Assets and Funds Held by Others

United Way of Central Oklahoma is the beneficiary of donated funds in an account with the Oklahoma City Community Foundation, Inc. (OCCF). The funds are invested by OCCF. The investment income received by United Way of Central Oklahoma from the account is reinvested in the account. Donors to OCCF may designate their contributions to United Way of Central Oklahoma's account. The funds had a balance of $2,496,888 as of December 31, 2025.

United Way of Central Oklahoma is the beneficiary of donated funds in an account with the Communities Foundation of Oklahoma (CFO). The funds are invested by CFO. The investment income received by United Way of Central Oklahoma from the account is reinvested in the account. Donors to CFO may designate their contributions to United Way of Central Oklahoma's account. The funds had a balance of $514,041 as of December 31, 2025.

The assets of these funds are not included in the consolidated financial statements, as the trustees of the foundations state they retain the right of variance.

United Way of Central Oklahoma has transferred assets from designated donor contributions to OCCF as well as to CFO (collectively, Foundations) and retained a beneficial interest in those assets. United Way of Central Oklahoma is eligible to receive annual distributions from these assets according to both Foundations' spending policies but has chosen to reinvest these distributions in the funds. Investment gains and losses are recorded in endowment investment income. The fair value of the retained beneficial interest in the Foundations included in the consolidated financial statements was $4,238,636 as of December 31, 2025. Funds transferred to OCCF are considered to be either donor restricted or without donor restrictions depending on the express intent of the donor and are to be held in perpetuity, and the funds transferred to CFO are board-designated for endowment purposes. The funds at OCCF may not be returned to United Way of Central Oklahoma. The funds at CFO may be returned to United Way of Central Oklahoma in the form of a grant at the sole discretion of CFO and subject to the variance power of CFO and must be approved by two-thirds of the governing body of United Way of Central Oklahoma.

Note 5. Endowment

United Way of Central Oklahoma's governing body is subject to the *State of Oklahoma Prudent Management of Institutional Funds Act* (SPMIFA). As a result, United Way classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time-restricted until the governing body appropriates such amounts for expenditure.

Additionally, in accordance with SPMIFA, United Way considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the organization and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the organization
7. Investment policies of the organization

United Way's endowment consists of two funds held at two different community foundations as well as funds set aside at United Way to act as an endowment. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by GAAP, net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The composition of net assets by type of endowment fund was as follows at December 31, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 2,804,678	$ -	$ 2,804,678
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	56,000	56,000
Accumulated investment gains	1,271,801	106,157	1,377,958
Total endowment funds	$ 4,076,479	$ 162,157	$ 4,238,636

Changes in endowment net assets were as follows for the year ended December 31, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 3,517,700	$ 202,692	$ 3,720,392
Investment return, net	479,468	17,799	497,267
Pledges and contributions receivable	-	5,000	5,000
Appropriation of endowment assets for expenditures	-	(63,334)	(63,334)
Other changes			
Transfer to create board-designated endowment	79,311	-	79,311
Endowment net assets, end of year	$ 4,076,479	$ 162,157	$ 4,238,636

Investment and Spending Policies

United Way is subject to the investment and spending policies established by the Foundations holding the funds.

Note 6. Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions represent funds over which United Way retains full control of use in achieving United Way's objectives. Funds that have been designated by the board for certain purposes have been included in net assets without donor restrictions in the consolidated financial statements.

Net assets without donor restrictions are as follows as of December 31, 2025:

Undesignated	$ 18,802,212
Board designated	
Building Maintenance/Renovation Fund	524,493
Community Impact Fund	505,623
Emergency relief	549,154
Endowment Fund	4,076,478
Future land acquisition	572,792
WayFinder grant	41,041
Total net assets without donor restrictions	$ 25,071,793

Net Assets With Donor Restrictions

Net assets with donor restrictions were available for the following purposes at December 31, 2025:

Embrace OKC	$ 273,164
Beneficial interest in assets held by others to be held in perpetuity	162,157
Total net assets with donor restrictions	$ 435,321

Net Assets Released From Restrictions

Purpose restrictions on net assets with donor restrictions are generally satisfied when expenses are incurred on the donor-restricted program or function. Net assets with donor restrictions released from restrictions were related to the following during the year ended December 31, 2025:

Embrace OKC	$ 388,852
Telelanguage	7,966
OKC Tax Help	80,231
Siemer	82,500
Endowment pledges collected	63,334
Beneficial interest in assets held by others	10,000
Total net assets released from restrictions	$ 632,883

Note 7. Liquidity and Reserves

Total financial assets	
Cash and cash equivalents	$ 16,213,433
Pledges receivable, net	7,696,663
Certificates of deposit	1,535,931
Total financial assets available within one year	25,446,027
Less amounts unavailable for general expenditure within one year	
Restricted by donors with purpose and time restrictions	(330,691)
Donor designations payable related to governmental campaigns	(265,622)
Donor designations payable	(158,313)
Total amounts restricted or designated by donors	(754,626)
Less amounts unavailable to management without board approval	
Agency allocations payable	(5,427,626)
Board designated for Building Maintenance/Renovation Fund	(524,493)
Board designated for Community Impact Fund	(505,623)
Board designated for emergency relief	(549,154)
Board designated for future land acquisition	(572,792)
Board designated for Wayfinder grant	(41,041)
Total amounts unavailable to management without board approval	(7,620,729)
Total financial assets available to management for general expenditures within one year	$ 17,070,672

United Way manages its liquidity and reserves following three guiding principles: focusing on prudent financial management ensuring long-term financial strength and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. United Way has a policy to maintain current financial assets less current liabilities at a minimum of six months of operating expenses. During the year ended December 31, 2025, the level of liquidity and reserves was managed within the policy requirements.

Note 8. Combined Federal Campaign, State Campaign, and City Campaign

In addition to conducting the annual United Way campaign, United Way of Central Oklahoma serves, under contractual arrangement, as the Principal Combined Fundraising Organization (PCFO) for the State and City Campaigns. These campaign donors are required to designate their gifts to eligible charitable organizations (including United Way) throughout the country. A list of the eligible charitable organizations is provided to the donors by their employer. Many of these organizations are not partner agencies directly supported by United Way. In accordance with its contractual obligation, United Way of Central Oklahoma distributes these donations in accordance with the donor's designation. Because United Way of Central Oklahoma acts as an agent for these campaigns, contribution revenue and allocation expense on the consolidated statements of activities are reduced by these amounts (see designated pledges held for other agencies in Note 1).

United Way of Central Oklahoma retains an administrative fee for the cost of the PCFO campaigns, which totaled $30,339 for the State Campaign and $61,542 for the City Campaign in 2025. United Way and its partner agencies are also eligible participants in the CFC and State and City Campaigns and receive donor-designated pledges from the CFC and State and City Campaigns. These pledges totaled approximately $24,000 for the CFC, $97,000 for the State Campaign, and $179,000 for the City Campaign.

As of December 31, 2025, cash balances held on behalf of governmental campaigns are maintained in separate bank accounts totaling approximately $357,000. Donor designations payable related to governmental campaigns are approximately $266,000 as of December 31, 2025.

Note 9. Defined Contribution Plan

United Way of Central Oklahoma allows any employee who is 21 years and older with a minimum one year of service to participate in its 403(b) Thrift Plan. United Way of Central Oklahoma will contribute a 3% base contribution of an employee's salary per plan year whether or not that employee has elected to make voluntary salary reduction contributions to the plan. If an employee chooses to make salary reduction contributions, United Way of Central Oklahoma will match those contributions equal to the lesser of 50% of the salary reduction contributions or 1.5% of that employee's salary during the plan year. Total United Way of Central Oklahoma contributions to the 403(b) Thrift Plan were $82,409 in 2025.

Note 10. Disclosures About Fair Value of Assets and Liabilities

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a three-level hierarchy for measuring fair value. The statement requires fair value measurements be classified and disclosed in one of three categories.

FASB ASC 820 establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1 Inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Unobservable inputs supported by little or no market activity and significant to the fair value of the assets or liabilities.

The valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the consolidated statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy, are below. There have been no significant changes in the valuation methodologies used during the year ended December 31, 2025.

Beneficial Interest in Assets Held by Others

United Way does not have the ability to redeem the funds held at OCCF but may redeem the funds held at CFO with approval by CFO and a two-thirds vote of the board of United Way. Based on the methodology of determining

the fair value of beneficial interest in assets held by others and the nonredeemable nature of the assets at OCCF, the assets at CFO of $2,465,299 are categorized as Level 2, and the assets at OCCF of $1,723,728 are categorized as Level 3.

Uncertainty of Fair Value Measurements

The uncertainty of the fair value measurement at the reporting date from the use of significant unobservable inputs, if those inputs reasonably could have been different at the reporting date, the inter-relationships among the unobservable inputs used in the recurring fair value measurement, and how those inputs might magnify or mitigate the effect of changes in the unobservable inputs on the fair value measurement are described below.

Beneficial Interest in Assets Held by Others

The significant unobservable input used in the fair value measurement of United Way's beneficial interest is the perpetual nature of the underlying assets. Significant increases (decreases) in those underlying assets would result in a significantly higher (lower) fair value measurement.

Note 11. Appointment as Receiver

United Way was appointed by the District Court of Pittsburg County Oklahoma in November 2020 to serve as the receiver over United Way of Southeastern Oklahoma (UWSO). The Attorney General of the State of Oklahoma has asserted in court documents that UWSO ceased all operations in 2017 and has failed to execute any of the charitable program services to fulfill or administer its organizational purpose. Moreover, upon the termination of its operations, UWSO failed to distribute any of the substantial assets that it holds for the benefit of the local community. As receiver, United Way is charged with ensuring that UWSO's business undertakings are properly wound up and its assets are distributed in accordance with donor intentions and all applicable laws.

The assets of UWSO remain in UWSO's name under UWSO's federal identification number and, accordingly, are not reflected in the consolidated financial statements of United Way of Central Oklahoma. Additionally, no assets of United Way have been offered as a pledge or guarantee related to United Way of Central Oklahoma's role as receiver. United Way began the three-year process of distributing all remaining assets of UWSO during 2022.

Note 12. Conditional Grant

United Way is the recipient of two conditional grants that are not recorded in the consolidated financial statements as of December 31, 2025:

- Grant to support emergence from poverty in the amount of $75,000. Revenue can be recognized when eligible expenses have been incurred.
- Grant to support families with tax help in the amount of $45,350. Revenue can be recognized when eligible expenses have been incurred.

Note 13. Leases

United Way determines whether an arrangement is or contains a lease at inception based on whether the contract conveys the right to control the use of identified property or equipment for a period of time in exchange for consideration.

United Way has entered into operating lease arrangements for office equipment used in its operations, including copiers and a postage machine. These leases commenced during the year ended December 31, 2025 and have terms extending through February 2030 and July 2030, respectively, with fixed monthly payments.

The leases do not contain renewal options that are reasonably certain to be exercised and do not include material residual value guarantees or restrictive covenants.

Quantitative Disclosures

The lease cost and other required information are as follows for the year ended December 31, 2025:

Cash paid – operating leases	$	7,123
ROU assets obtained for new leases	$	40,469
Weighted-average remaining lease term		4.24 years
Weighted-average discount rate		4.20%

Maturity Analysis

Future minimum lease payments under noncancelable operating leases are as follows as of December 31, 2025:

2026	$	8,831
2027		8,831
2028		8,831
2029		8,831
2030		2,421
Total undiscounted lease payments		37,745
Less imputed interest		(3,148)
Lease liability	$	34,597

United Way has no material related-party leases. United Way's lease agreements do not contain any material residual value guarantees or material restrictive covenants

Note 14. Subsequent Events

Subsequent events have been evaluated for potential recognition or disclosure in the consolidated financial statements through June 29, 2026, which is the date the consolidated financial statements were available to be issued, and it has been determined that there are no other material or significant events to be reported other than as reported in Note 1.