

TRIDENT UNITED WAY
FINANCIAL REPORT
JUNE 30, 2025 AND 2024

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FINANCIAL REPORT
JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Trident United Way
North Charleston, South Carolina

Opinion

We have audited the financial statements of Trident United Way, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for 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 Trident United Way as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Trident United Way 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 Trident United Way's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Trident 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Trident 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.

DCLPAS, LLC dba Davis & Company CPAs
Mount Pleasant, South Carolina
December 15, 2025

TRIDENT UNITED WAY
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Cash and cash equivalents	\$ 1,085,326	\$ -	\$ 1,085,326
Short term investments	1,655,555	9,435	1,664,990
Contribution receivable, net	-	1,475,500	1,475,500
Grants receivable	91,989	-	91,989
Prepaid expenses	60,500	-	60,500
Land, buildings, and equipment, net	1,903,586	-	1,903,586
Operating right of use asset	305,127	-	305,127
Long term investments	9,332,814	1,138,786	10,471,600
TOTAL ASSETS	\$ 14,434,897	\$ 2,623,721	\$ 17,058,618
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable	\$ 118,465	\$ -	\$ 118,465
Payroll liabilities	384,320	-	384,320
Current lease liability	114,605	-	114,605
Campaign designations payable	-	52,439	52,439
Operating lease liability	190,521	-	190,521
Deferred compensation	474,895	-	474,895
Total liabilities	1,282,806	52,439	1,335,245
NET ASSETS			
Without donor restrictions			
Undesignated	2,214,886	-	2,214,886
Designated by Board for operating/emergency reserve	1,840,787	-	1,840,787
Designated by Board for endowment	6,769,421	-	6,769,421
Designated by Board for building reserve	423,411	-	423,411
Invested in property and equipment	1,903,586	-	1,903,586
Total without donor restrictions	13,152,091	-	13,152,091
With donor restrictions			
Perpetual in nature	-	467,528	467,528
Purpose and time restrictions	-	2,103,754	2,103,754
Total with donor restrictions	-	2,571,282	2,571,282
TOTAL NET ASSETS	13,152,091	2,571,282	15,723,373
TOTAL LIABILITIES AND NET ASSETS	\$ 14,434,897	\$ 2,623,721	\$ 17,058,618

See accompanying notes.

TRIDENT UNITED WAY
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Cash and cash equivalents	\$ 915,559	\$ -	\$ 915,559
Short term investments	3,318,710	23,530	3,342,240
Contribution receivable, net	-	1,137,405	1,137,405
Grants receivable	175,339	-	175,339
Prepaid expenses	43,272	-	43,272
Land, buildings, and equipment, net	2,068,724	-	2,068,724
Lessee right of use asset	215,555	-	215,555
Long term investments	9,962,576	1,032,500	10,995,076
TOTAL ASSETS	\$ 16,699,735	\$ 2,193,435	\$ 18,893,170
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable	\$ 234,958	\$ -	\$ 234,958
Payroll liabilities	177,312	-	177,312
Current lease liability	96,712	-	96,712
Campaign designations payable	-	71,649	71,649
Long term lease liability	118,843	-	118,843
Deferred compensation	447,784	-	447,784
Total liabilities	1,075,609	71,649	1,147,258
NET ASSETS			
Without donor restrictions			
Undesignated	4,130,172	-	4,130,172
Designated by Board for operating/emergency reserve	2,659,523	-	2,659,523
Designated by Board for endowment	6,362,599	-	6,362,599
Designated by Board for building reserve	403,108	-	403,108
Invested in property and equipment	2,068,724	-	2,068,724
Total without donor restrictions	15,624,126	-	15,624,126
With donor restrictions			
Perpetual in nature	-	467,528	467,528
Purpose and time restrictions	-	1,654,258	1,654,258
Total with donor restrictions	-	2,121,786	2,121,786
TOTAL NET ASSETS	15,624,126	2,121,786	17,745,912
TOTAL LIABILITIES AND NET ASSETS	\$ 16,699,735	\$ 2,193,435	\$ 18,893,170

See accompanying notes.

TRIDENT UNITED WAY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Contribution revenue			
Campaign contributions	\$ -	\$ 4,534,567	\$ 4,534,567
Payments from previously closed campaigns	-	44,383	44,383
Less donor designations	-	(399,941)	(399,941)
Less provision for uncollectible	-	(332,600)	(332,600)
Grants	1,060,362	-	1,060,362
Other contributions	25,412	130,304	155,716
Contributed non-financial assets	58,633	-	58,633
Net contribution revenue	<u>1,144,407</u>	<u>3,976,713</u>	<u>5,121,120</u>
Program service fees	20,778	-	20,778
FoodShare Berkeley revenue	95,563	-	95,563
Rental income	192,741	-	192,741
Other income	53,874	-	53,874
Investment return (net)	1,015,784	129,247	1,145,031
Net assets released from restrictions	3,656,464	(3,656,464)	-
TOTAL PUBLIC SUPPORT AND REVENUE	<u>\$ 6,179,611</u>	<u>\$ 449,496</u>	<u>\$ 6,629,107</u>
EXPENSES			
Program Services			
Community Impact	\$ 1,555,946	\$ -	\$ 1,555,946
United for ALICE	344,460	-	344,460
Health	551,417	-	551,417
Education	401,690	-	401,690
Financial Stability	1,652,037	-	1,652,037
Connecting the Community (SVE)	1,210,038	-	1,210,038
Total Program Services Expenses	<u>5,715,588</u>	<u>-</u>	<u>5,715,588</u>
Support Services			
General and administrative	626,432	-	626,432
Building	198,668	-	198,668
Institutional Funding	269,428	-	269,428
Advancement	1,841,530	-	1,841,530
Total Support Services Expenses	<u>2,936,058</u>	<u>-</u>	<u>2,936,058</u>
TOTAL EXPENSES	<u>8,651,646</u>	<u>-</u>	<u>8,651,646</u>
INCREASE/(DECREASE) IN NET ASSETS	<u>(2,472,035)</u>	<u>449,496</u>	<u>(2,022,539)</u>
Net Assets at Beginning of Year	<u>15,624,126</u>	<u>2,121,786</u>	<u>17,745,912</u>
NET ASSETS AT END OF YEAR	<u>\$ 13,152,091</u>	<u>\$ 2,571,282</u>	<u>\$ 15,723,373</u>

See accompanying notes.

TRIDENT UNITED WAY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Contribution revenue			
Campaign contributions	\$ -	\$ 3,968,098	\$ 3,968,098
Payments from previously closed campaigns	-	115,676	115,676
Less donor designations	-	(523,967)	(523,967)
Less provision for uncollectible	-	(346,730)	(346,730)
Grants	535,674	-	535,674
Other contributions	59,648	369,087	428,735
Contributed non-financial assets	90,070	-	90,070
Net contribution revenue	<u>685,392</u>	<u>3,582,164</u>	<u>4,267,556</u>
Program service fees	37,358	-	37,358
FoodShare Berkeley revenue	60,203	-	60,203
Rental income	180,743	-	180,743
Other income	315,733	-	315,733
Investment return (net)	873,010	125,781	998,791
Net assets released from restrictions	3,756,984	(3,756,984)	-
TOTAL PUBLIC SUPPORT AND REVENUE	<u>\$ 5,909,423</u>	<u>\$ (49,039)</u>	<u>\$ 5,860,384</u>
EXPENSES			
Program Services			
Community Impact	\$ 1,379,994	\$ -	\$ 1,379,994
United for ALICE	335,853	-	335,853
Health	365,318	-	365,318
Education	211,603	-	211,603
Financial Stability	1,659,554	-	1,659,554
Connecting the Community (SVE)	927,568	-	927,568
Total Program Services Expenses	<u>4,879,890</u>	<u>-</u>	<u>4,879,890</u>
Support Services			
General and administrative	462,611	-	462,611
Building	315,145	-	315,145
Institutional Funding	161,032	-	161,032
Advancement	1,487,283	-	1,487,283
Total Support Services Expenses	<u>2,426,071</u>	<u>-</u>	<u>2,426,071</u>
TOTAL EXPENSES	<u>7,305,961</u>	<u>-</u>	<u>7,305,961</u>
INCREASE/(DECREASE) IN NET ASSETS	<u>(1,396,538)</u>	<u>(49,039)</u>	<u>(1,445,577)</u>
Net Assets at Beginning of Year	17,020,664	2,170,825	19,191,489
NET ASSETS AT END OF YEAR	<u>\$ 15,624,126</u>	<u>\$ 2,121,786</u>	<u>\$ 17,745,912</u>

See accompanying notes.

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

	Program Services							Supporting Services							Total Expenses
	Community Impact	United for ALICE	Health	Education	Financial Stability	Connecting		General and Admin	Building	Total Admin	Institutional		Total		
						The Community	Total Programs				Funding	Advancement	Fundraising	Total Support	
Expenses															
Partner agency allocations	\$ 305,048	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 405,048	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 405,048
Other agency grants	15,000	-	9,100	199,456	87,887	21,500	332,943	9,080	-	9,080	-	3,040	3,040	12,120	345,063
Salaries & benefits	760,832	210,263	322,465	198,659	1,043,249	790,387	3,325,855	444,638	-	444,638	246,649	1,204,913	1,451,562	1,896,200	5,222,055
Professional and contract services	237,392	25,463	81,084	-	251,634	118,380	713,953	108,719	39,101	147,820	16,100	411,386	427,486	575,306	1,289,259
Occupancy	45,177	680	2,352	2,617	175,404	18,752	244,982	10,173	126,850	137,023	1,400	31,001	32,401	169,424	414,406
Meetings and conferences	14,991	1,970	33,707	83	25,960	2,556	79,267	15,838	5,138	20,976	281	21,212	21,493	42,469	121,736
Events	-	-	2,000	-	-	78,654	80,654	-	-	-	-	341	341	341	80,995
Depreciation	78,400	-	-	-	19,251	27,291	124,942	10,882	981	11,863	-	51,433	51,433	63,296	188,238
Dues, subscriptions and publications	44,189	-	270	-	419	14,196	59,074	7,900	562	8,462	1,998	31,156	33,154	41,616	100,690
Advertising	(1,659)	-	-	-	8,662	104,810	111,813	49	-	49	-	6,053	6,053	6,102	117,915
Postage and printing	11,486	3,099	1,156	-	19,119	5,315	40,175	3,762	-	3,762	208	24,202	24,410	28,172	68,347
Supplies	7,845	-	84,740	274	12,311	14,432	119,602	4,270	2,069	6,339	949	32,313	33,262	39,601	159,203
Travel	3,685	2,985	9,709	601	8,141	5,925	31,046	6,419	-	6,419	1,843	7,544	9,387	15,806	46,852
Insurance	22,264	-	-	-	-	5,422	27,686	3,145	23,476	26,621	-	13,847	13,847	40,468	68,154
Card processing and bank fees	11,296	-	4,834	-	-	2,418	18,548	1,557	491	2,048	-	3,089	3,089	5,137	23,685
Total Expenses	\$ 1,555,946	\$ 344,460	\$ 551,417	\$ 401,690	\$ 1,652,037	\$ 1,210,038	\$ 5,715,588	\$ 626,432	\$ 198,668	\$ 825,100	\$ 269,428	\$ 1,841,530	\$ 2,110,958	\$ 2,936,058	\$ 8,651,646

See accompanying notes.

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

	Program Services							Supporting Services							Total Expenses
	Community Impact	United for ALICE	Connecting				Total Programs	General and Admin	Building	Total Admin	Institutional		Total Fundraising	Total Support	
			Health	Education	Financial Stability	The Community					Funding	Advancement			
Expenses															
Partner agency allocations	\$ 316,608	\$ 100,000	\$ -	\$ -	\$ 57,767	\$ -	\$ 474,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 474,375
Other agency grants	16,000	-	5,000	96,498	209,291	-	326,789	2,550	-	2,550	-	-	-	2,550	329,339
Salaries & benefits	557,937	57,464	253,763	107,052	900,294	586,583	2,463,093	263,181	-	263,181	144,874	1,062,437	1,207,311	1,470,492	3,933,585
Professional and contract services	249,850	128,890	56,462	-	213,679	32,247	681,128	103,220	80,234	183,454	723	225,374	226,097	409,551	1,090,679
Occupancy	41,916	400	400	397	123,905	11,424	178,442	9,529	187,500	197,029	640	33,734	34,374	231,403	409,845
Meetings and conferences	9,443	9,734	11,837	2,266	16,801	4,754	54,835	41,159	124	41,283	635	13,354	13,989	55,272	110,107
Events	-	-	-	-	-	70,179	70,179	-	-	-	-	235	235	235	70,414
Depreciation	73,253	-	-	-	9,376	16,409	99,038	10,257	3,156	13,413	-	45,804	45,804	59,217	158,255
Dues, subscriptions and publications	57,931	526	5	-	5,105	11,749	75,316	10,339	8,671	19,010	1,695	40,068	41,763	60,773	136,089
Advertising	446	20,029	-	-	9,067	153,671	183,213	5,462	24	5,486	-	5,432	5,432	10,918	194,131
Postage and printing	10,388	4,154	102	41	14,361	3,478	32,524	2,581	573	3,154	41	23,372	23,413	26,567	59,091
Supplies	13,622	246	31,378	1,952	81,526	28,502	157,226	9,821	53	9,874	9,374	15,103	24,477	34,351	191,577
Travel	3,779	14,410	6,371	3,397	14,849	2,978	45,784	335	-	335	3,050	3,659	6,709	7,044	52,828
Insurance	22,217	-	-	-	-	4,312	26,529	3,079	34,180	37,259	-	14,530	14,530	51,789	78,318
Card processing and bank fees	6,604	-	-	-	3,533	1,282	11,419	1,098	630	1,728	-	4,181	4,181	5,909	17,328
Total Expenses	\$ 1,379,994	\$ 335,853	\$ 365,318	\$ 211,603	\$ 1,659,554	\$ 927,568	\$ 4,879,890	\$ 462,611	\$ 315,145	\$ 777,756	\$ 161,032	\$ 1,487,283	\$ 1,648,315	\$ 2,426,071	\$ 7,305,961

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

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in net assets	\$ (2,022,539)	\$ (1,445,577)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used for) operating activities:		
Depreciation	188,238	158,255
Investment income	(1,145,031)	(998,791)
(Gain) loss on disposal of assets	-	49,392
Provision for uncollectible contributions receivable	332,600	346,730
(Increase) decrease in operating assets		
Grants receivable	83,350	(82,423)
Contributions receivable		
Trident United Way Campaign	(670,695)	(163,739)
Prepaid expenses	(17,228)	653
Lessee right of use asset	(89,572)	87,188
Increase (decrease) in operating liabilities		
Accounts payable	(116,493)	44,110
Current and long term lease liability	89,572	(87,188)
Payroll liabilities	207,008	80,432
Deferred compensation	27,111	8,508
Campaign designations payable	(19,210)	(44,724)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(3,152,889)</u>	<u>(2,047,174)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Leasehold improvements, equipment and software purchase (sale)	(23,100)	(195,148)
Sale of investments, net	3,345,756	2,145,986
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>3,322,656</u>	<u>1,950,838</u>
NET INCREASE/(DECREASE) IN CASH	169,767	(96,336)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>915,559</u>	<u>1,011,895</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,085,326</u>	<u>\$ 915,559</u>

See accompanying notes.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Trident United Way (the Organization) is unifying Berkeley, Charleston and Dorchester Counties to uplift families out of poverty. Driven by the mission and bold community goal, Trident United Way's Strong Families, Strong Community Initiative provides tools, resources, and support to help hardworking families address rising costs and achieve long-term economic stability

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates

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

Classification of Net Assets

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

Net Assets Without Donor Restrictions - Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The Board of Directors has designated, from net assets without donor restrictions, net assets for operating/emergency reserve, board-designated endowment, and building reserve. See the statement of financial position for the composition of net assets without donor restrictions.

Net Assets With Donor Restrictions - Certain donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donors. Other donor-imposed restrictions are perpetual on 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

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Classification of Net Assets - Continued

Net Assets With Donor Restrictions-continued

purpose for which the resource was restricted has been fulfilled, or both. See Note H for more information on the composition of net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash equivalents include money market funds and certificates of deposit valued equally with cash.

Grants Receivable

Management considers all grants receivable to be fully collectible based on experience. Accordingly, no allowance has been established for these accounts.

Contributions Receivable

Annual campaigns are conducted to raise support for operations and allocations to participating agencies. Contributions received are recorded with donor restrictions or without donor restrictions depending on the existence, timing or nature of any donor restrictions.

Contributions are recorded when the agency is notified of the pledge, and allowances are provided for amounts estimated to be uncollectible. Bequests are recorded as income at the time the agency has an established right to the bequest and the proceeds are measurable. An allowance for credit losses is recorded based on management's historical collection information of trends and adjusted accordingly. The allowance for year ending June 30, 2025 and 2024 is \$332,600 and 348,600 respectively.

Prepaid Expenses

Expenses are recognized by the Organization on an accrual basis. Expenses paid in advance and not yet incurred are recorded as prepaid until the applicable period. Prepaid and other assets are primarily prepaid service contracts and insurance.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Land, Buildings, and Equipment

Land, buildings, and equipment purchased are recorded at cost. The Organization capitalizes all expenditures for property and equipment in excess of \$1,000 with a useful life greater than one year. Improvements or betterments of a permanent nature are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. The costs of assets retired or otherwise disposed of, and the related accumulated depreciation, are eliminated from the accounts in the year of disposal. Gains or losses resulting from property disposals are credited or charged to operations currently. Land, buildings, and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, from 3 to 40 years.

Investments

The Organization accounts for investments in accordance with FASB ASC 958-320 and subsections. This standard requires that investments in equity securities with readily determinable fair values and all investments in debt securities be measured at fair value in the statements of financial position. Fair value of marketable equity and debt securities is based on quoted market prices.

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements 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 and direct investment expenses.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Endowment and Long-term Investments

Endowment investments consist of investments purchased with the following resources:

- Donor-restricted perpetual endowments, which are contributions restricted by donors to investment in perpetuity with only investment income and appreciation being used to support the organization's activities.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Endowment and Long-term Investments - Continued

- Donor-restricted term endowments, which are contributions restricted by donors to investment for the term specified by the donor. During that term, the donor may either require investment income and appreciation to be reinvested in the fund or may permit the organization to spend those amounts in accordance with the donors' restrictions on use.
- Board-designated endowments, which are resources set aside by the Board of Directors for an indeterminate period to operate in a manner similar to a donor-restricted perpetual endowment. Because a board-designated endowment results from an internal designation, it can be spent upon the action of the Board of Directors.

Endowment investments also include investments purchased with unspent investment income and net gains on these resources. Other long-term investments are held under split-interest agreements with donors.

Endowment investments are reported at fair value with changes to fair value reported as investment return in the statement of activities. Purchases and sales of investments are reported on the trade date.

The Organization's endowment funds consist of donor-restricted endowments and funds designated by the board. Income from donor-restricted endowments is restricted for specific purposes, except for the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated operating/emergency reserve is available in the case of economic downturns or natural disasters so the organization may maintain or expand services in times of great need. The board may also use these funds for one-time investment in capital, equipment, or technology beyond what could be funded through the annual campaign.

The board-designated endowment is to provide long-term support of the fundraising and administrative functions for Trident United Way through an established four percent per year distribution.

The board-designated building reserve is to provide for major repairs and improvements to the organization-owned properties.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenues from Exchange Transactions

The Organization has revenue streams that are accounted for as exchange transactions including program fees. Because the Organization's performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14, Revenue from Contracts with Customers, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Contributed Non-financial Assets and Contributed Services

A substantial number of volunteers have donated significant amounts of time to the Organization's program services and to its fund-raising campaigns. Contributed services represent services requiring specialized skills that the Organization would typically purchase if not donated. Contributed non-financial assets and contributed services are recognized at their estimated fair values at date of receipt with an equal and offsetting amount in expenses in the statements of activities, resulting in no net impact on the change in net assets during the fiscal year.

Accounting for Contributions

Trident United Way conducts annual fundraising campaigns in cooperation with many individuals and local employers. Contributions, including pledges and other unconditional promises to give, are recognized as revenue in the year the pledge is received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor or time. Amounts that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. The majority of the Organization's pledges allow donors to make payments over 24 months. Since the pledge may extend beyond one fiscal year the Organization treats them as time restricted. Such revenues will be presented as restricted until paid and released from restrictions.

Multi-year contributions have an implied time restriction that the amounts are not to be used until the year in which they are to be received, and therefore are reported as with donor restrictions. Amounts that are to be invested in perpetuity and only the income used will be recorded as with donor restrictions. Multi-year contributions are recorded at fair value, which is measured at the present value of their future cash flows. The discounts are computed using risk-adjusted interest rates applicable to the year in which the pledge was made. The discount rates used to calculate the present value range from 3.9% to 4.5% for the years ended June 30, 2025 and 2024.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Accounting for Contributions – Continued

Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. It is the Organization’s policy to record restricted contributions received and released in the same year as contributions without donor restrictions.

The Organization allows donors to designate their contributions to any agency qualified to receive charitable contributions. Donor-designated contributions are reflected in gross campaign results and deducts them from revenue on the statement of activities. Designations are paid when the pledge payment is collected.

Expense Recognition and Allocation

The cost of providing the organization’s programs and other activities is summarized on a functional basis in the statements of activities and statements of functional expense. Expenses that can be identified with a specific program or support service are charged directly to that program or support service.

Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied as follows:

- Salaries and wages, benefits and payroll taxes are allocated based on activity reports.
- Occupancy, telephone and internet services, insurance, supplies, depreciation, and other miscellaneous expenses are allocated based on the salary allocation and headcount for each program and supporting activity.

Every year, or more often when new space or programs are added, the basis on which costs are allocated are evaluated. General and administrative expenses include these costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Advertising Costs

Advertising costs are expensed as incurred and approximated \$183,213 and 194,131 during the years ended June 30, 2025 and 2024 respectively.

Compensated Absences

Employees of the Organization working at least 30 hours per week, are entitled to a minimum of 10 and maximum of 20 paid vacation days based on a years of service model. When an employee with at least 90 days of service leaves the Organization, unused vacation is paid out at the hourly equivalent of the current pay rate. Employees are allowed to accumulate unused vacation time up to a maximum of 30 days (225 hours). Therefore, a liability is recorded at the end of the fiscal year for the total amount of vacation unused at that time. As of June 30, 2025 and 2024 the accrued vacation liability was \$215,470 and \$149,481, respectively.

Leases

The Organization recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Organization is a lessee in a noncancellable operating lease with terms in excess of one year for office space. The Organization has classified this lease as an operating lease and recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease.

Fair Value of Financial Instruments

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures* defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. ASC 820 is effective for the Organization's financial assets and liabilities for the years ended June 30, 2025 and 2024. The estimated fair value amounts for specific groups of financial instruments are presented within the footnotes. Cash, accounts receivable, unconditional promises to give, accounts payable and accrued expenses are stated at cost, which approximates fair value, due to their short term to maturity.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Classification of Transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in the statements of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions. Net gains on endowment investments increase net assets without donor restrictions, and net losses on endowment investments reduce that net asset class.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state law as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code is subject to federal income tax.

The Organization had no unrelated business income for the years ended June 30, 2025 and 2024. Therefore, no provision for income taxes was made. Management has evaluated the Organization's tax positions and concluded the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provision of this guidance. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE B - LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2025 and 2024 are as follows:

	2025	2024
Cash	\$ 1,085,326	\$ 915,559
Short term investments	1,664,990	3,342,240
Cash and cash equivalents	2,750,316	4,257,799
Grants Receivable	91,989	175,339
Contributions receivable, net	1,475,500	1,137,405
Investments	10,471,600	10,995,076
Total financial assets	14,789,405	16,565,619
Less financial assets held to meet donor-imposed restrictions:		
Trident United Way Campaign	(1,335,947)	(1,026,017)
Deferred compensation	(474,895)	(447,784)
Other	(767,807)	(628,241)
In perpetuity	(467,528)	(467,528)
Less board-designated funds:		
Operating/emergency reserve	(1,840,787)	(2,659,523)
Endowment	(6,769,421)	(6,362,599)
Building reserve	(423,411)	(403,108)
Total financial assets with restrictions	(12,079,796)	(11,994,800)
Amount available for general expenditures within one year	\$ 2,709,609	\$ 4,570,819

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE B - LIQUIDITY AND AVAILABILITY OF RESOURCES - Continued

The above table reflects donor-restricted and board-designated funds as unavailable because it is the Organization's intention to invest those resources for the long-term support of the Organization. However, in the case of need, the Board of Directors could appropriate resources from the operating/emergency reserve for \$1,840,787, designated endowment for \$6,769,421, or building reserve for \$423,411.

NOTE C - INVESTMENTS

Long- and short-term investments consist of net assets with donor restrictions and without donor restrictions managed by Morgan Stanley Smith Barney LLC, including a stock gift account. All investments are stated at fair value. Investments comprise the following as of June 30:

	<u>As of June 30, 2025</u>		<u>As of June 30, 2024</u>	
	<u>FMV</u>	<u>Cost</u>	<u>FMV</u>	<u>Cost</u>
Money market fund	\$ 1,533,640	\$ 1,533,640	\$ 461,978	\$ 461,978
Fixed income	1,828,694	2,420,813	4,468,308	4,537,249
Mutual funds - corporate bonds	2,603,333	2,174,824	3,027,672	3,302,965
Securities and security portfolios	6,170,924	4,044,412	6,379,358	5,106,941
	<u>\$ 12,136,591</u>	<u>\$ 10,173,689</u>	<u>\$ 14,337,316</u>	<u>\$ 13,409,133</u>

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE C - INVESTMENTS -Continued

Maturities for the above listed investments are listed below:

	As of June 30, 2025	As of June 30, 2024
<u>Maturity Range in Years</u>		
3 months - 1 year	\$ 1,670,657	\$ 3,293,250
1 - 5 years	818,485	644,306
5-10 years	687,816	415,984
10 years and beyond	185,376	576,746
Mutual Funds - corporate bonds	2,603,333	3,027,672
Securities and security portfolios	6,170,924	6,379,358
Total Investments	<u>\$ 12,136,591</u>	<u>\$ 14,337,316</u>

NOTE D - CONTRIBUTIONS RECEIVABLE

Contributions receivable have not been discounted as the campaign for Trident United Way runs for one year. Total unconditional promises to give consist of the following as of June 30:

	Trident United Way Campaign	
	2025	2024
Beginning balance	\$ 1,137,405	\$ 1,320,396
Commitments made	4,491,033	5,249,902
Payments made	(3,820,338)	(5,084,293)
Balance before allowance	1,808,100	1,486,005
Allowance for uncollectible	(332,600)	(348,600)
Ending balance	<u>\$ 1,475,500</u>	<u>\$ 1,137,405</u>

An allowance for credit losses is maintained based on management's internal reserve policies. Management's estimate of uncollectible contributions were 10% each year for the years ended June 30, 2025 and 2024. Not all contributions are included in the calculation, as some contributions are paid in full at the time given.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE E – FAIR VALUE MEASUREMENTS AND DISCLOSURES

Financial Accounting Standards Board (FASB) guidance establishes a fair-value hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Organization's assumptions (unobservable inputs). Determining where an asset or liability falls in that hierarchy depends on the lowest-level input that is significant to the fair-value measurement as a whole.

FASB ASC 820, *Fair Value Measurements and Disclosures* establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). Trident United Way held no financial instruments that were valued using Level 3 measurements as of June 30, 2025 or 2024.

The three levels of fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs: Valuation based on quoted prices in active markets for identical assets or liabilities that a reporting entity can access at the measurements date and where transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Inputs: Valuation based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, that is markets in which there are few transactions, prices are not current, or prices vary substantially over time.

Level 3 Inputs: Unobservable inputs for valuation of the asset or liability. Level 3 assets include investments for which there is little, if any, market activity. These inputs require significant management judgement or estimation. These financial instruments have inputs that cannot be validated by readily determinable market data and generally involve considerable judgement by management.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE E – FAIR VALUE MEASUREMENTS AND DISCLOSURES – Continued

At June 30, 2025 and 2024, the Organization’s investments were classified within Level 1 or 2 of the hierarchy.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification pursuant to the valuation hierarchy. There have been no changes in the valuation methodologies used as of June 30, 2025 and 2024.

Money market funds: Valued at amortized cost which approximate fair value.

Bonds: Valued at the closing price reported in the active market in which the bond is traded or based on yields currently available on comparable securities of issuers with similar credit ratings.

Mutual funds: Valued using the Net Asset Value (NAV) based on the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Equities: Valued at the closing price reported in the active market in which the individual securities are traded.

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

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

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE E - FAIR VALUE MEASUREMENTS AND DISCLOSURES - Continued

Description	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 1,533,640	\$ -	\$ -	\$ 1,533,640
Bonds	-	1,828,694	-	1,828,694
Mutual funds - corporate bonds	2,603,333	-	-	2,603,333
Securities and security portfolios	6,170,924	-	-	6,170,924
Total assets at fair value	\$ 10,307,897	\$ 1,828,694	\$ -	\$ 12,136,591

Description	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 461,978	\$ -	\$ -	\$ 461,978
Bonds	-	4,468,308	-	4,468,308
Mutual funds - corporate bonds	3,027,672	-	-	3,027,672
Securities and security portfolios	6,379,358	-	-	6,379,358
Total assets at fair value	\$ 9,869,008	\$ 4,468,308	\$ -	\$ 14,337,316

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE F - LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment for the years ended June 30, 2025 and 2024 consist of the following:

	June 30, 2025
Building and improvements	\$ 3,392,038
Equipment	405,531
Total depreciable assets	3,797,569
Less accumulated depreciation	(2,397,118)
Net depreciable assets	1,400,451
Land	490,000
Work in progress	13,136
Total land, buildings, and equipment	\$ 1,903,587
	June 30, 2024
Building and improvements	\$ 3,382,073
Equipment	405,531
Total depreciable assets	3,787,604
Less accumulated depreciation	(2,208,880)
Net depreciable assets	1,578,724
Land	490,000
Work in progress	-
Total land, buildings, and equipment	\$ 2,068,724

Depreciation expense for the years ended June 30, 2025 and 2024 is \$188,238 and \$158,255, respectively.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

NOTE G – ACCOUNTING FOR ENDOWMENTS

The Organization's endowment consists of funds established either by donors (referred to as donor-restricted endowment funds) and or by resources set aside by the Board of Directors to function as endowments (referred to as board-designated endowment funds). Donor-restricted endowment funds are further divided into those that provide a perpetual source of support for the Organization's activities (referred to as perpetual endowments) and those that are restricted by donors to investment for a specific term (referred to as term endowments).

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The state of South Carolina enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective July 1, 2008. UPMIFA establishes law for the management and investment of donor-restricted endowment funds. Donor-restricted endowment funds are subject to a time restriction imposed by UPMIFA until amounts are appropriated for expenditure by the Organization.

UPMIFA permits the Organization to appropriate for expenditure or accumulate so much of a donor-restricted endowment fund as it determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. In making its determination to appropriate or accumulate, the Organization must act in good faith, with the care that an ordinary prudent person in a like position would exercise under similar circumstances, and it must consider, if relevant, the following factors:

- The duration and preservation of the endowment 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 the income and appreciation of investments
- Other resources of the Organization
- The investment policy of the Organization

The net asset composition for the endowment as of June 30, 2025 and 2024, are as follows:

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE G – ACCOUNTING FOR ENDOWMENTS – Continued

Type of Endowment Fund	2025		
	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Donor-restricted funds			
Perpetual endowment	\$ -	\$ 467,528	\$ 467,528
Purpose restricted endowment	-	263,502	263,502
Board-designated endowment	6,769,421	-	6,769,421
Total subject to expenditure for a specified purpose:	<u>\$ 6,769,421</u>	<u>\$ 731,030</u>	<u>\$ 7,500,451</u>
	2024		
	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Type of Endowment Fund			
Donor-restricted funds			
Perpetual endowment	\$ -	\$ 467,528	\$ 467,528
Purpose restricted endowment	-	262,648	262,648
Board-designated endowment	6,362,599	-	6,362,599
Total subject to expenditure for a specified purpose:	<u>\$ 6,362,599</u>	<u>\$ 730,176</u>	<u>\$ 7,092,775</u>

Investment and Spending Policies

The Lane Tocqueville Legacy Circle Endowment fund was established on June 30, 2010. The endowment fund has a corpus of \$467,528, established from previous restricted revenue and scrap value from the obsolete railroad box cars. The earnings of the endowment are eligible to be drawn upon to support the operations of the Organization at a rate of 5% of the annual balance of the endowment if the balance is above the original corpus amount. The accumulated earnings from the endowment are recorded as net assets with donor restrictions by purpose and the corpus of the endowment is recorded as net assets with donor restrictions perpetual in nature.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE G – ACCOUNTING FOR ENDOWMENTS – Continued

Investment and Spending Policies - Continued

The Organization has an investment policy for the board-designed Trident United Way Endowment Fund, which is monitored by the Investment Committee of its Board of Directors. The investment policy describes the objective for the fund and sets ranges for asset allocation.

The objective of the board-designated endowment fund places the highest emphasis on providing annual cash infusions to operations to help supplement operating expenses. Therefore 20% of the fund is to be available and free from excessive market risk immediately after a crisis. To meet the growth target, it is understood that two-thirds (2/3) of the Fund are to be invested in medium and long-term investment strategies. Therefore, these dollars would be only used in the most significant circumstances to reduce the likelihood of underperformance and excessive deterioration of real principal during a stage of poor fund performances.

The Endowment fund is a board-established sub-account to provide long-term support of the fundraising and administrative functions of the Organization through an established annual distribution. The rate changed from 5% to 4% as voted on by the Board of Directors on December 11, 2020. The distribution amount is calculated on the account value as of June 30 annually.

The following is a summary of the asset allocation guidelines, with allowable ranges for each asset type:

<i>Asset Category</i>	<i>Target</i>	<i>Maximum</i>
Global Equity	70%	90%
Global Fixed Income & Cash	20%	40%
Real Asset/ Real Return	10%	30%
Alternative Investments	0%	30%

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE G - ACCOUNTING FOR ENDOWMENTS - Continued

The changes in endowment net assets for the years ended June 30, 2025 and 2024, are as follows:

	2025		
	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Endowment net assets, July 1, 2024	\$ 6,362,599	\$ 730,176	\$ 7,092,775
Investment Return (Loss)	406,822	854	407,676
Endowment net assets, June 30, 2025	<u>\$ 6,769,421</u>	<u>\$ 731,030</u>	<u>\$ 7,500,451</u>
	2024		
	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Endowment net assets, July 1, 2023	\$ 6,140,001	\$ 675,727	\$ 6,815,728
Investment Return (Loss)	222,598	54,449	277,047
Endowment net assets, June 30, 2024	<u>\$ 6,362,599</u>	<u>\$ 730,176</u>	<u>\$ 7,092,775</u>

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods are as follows:

	2025	2024
Purpose restrictions:		
Trident United Way Campaign	\$ 1,335,947	\$ 1,026,017
Other, Net	767,807	628,241
Total purpose restrictions	<u>\$ 2,103,754</u>	<u>\$ 1,654,258</u>
Perpetual in nature:		
Endowment	\$ 467,528	\$ 467,528
Total endowments	<u>\$ 467,528</u>	<u>\$ 467,528</u>
Total net assets with donor restrictions	<u>\$ 2,571,282</u>	<u>\$ 2,121,786</u>

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS - Continued

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors are as follows:

	2025	2024
Purpose or period restrictions accomplished:		
Trident United Way Campaign	\$ 3,642,943	\$ 3,646,389
Other	13,521	110,595
Net assets released from restrictions	\$ 3,656,464	\$ 3,756,984

NOTE I - POSTRETIREMENT BENEFITS

Organization Contributions	Percent
Matching safe harbor	0%-4%
Non-contributory discretionary	1%
Total Organization Contribution	1%-5%

401K Plan

The Organization has established a retirement plan formed under section 401(k) of the Internal Revenue Code, which covers substantially all employees. Participants in the plan may elect to make voluntary before-tax and/or after-tax contributions based on a percentage of their pay, subject to certain limitations set forth in the Internal Revenue Code of 1986, as amended.

During the years ended June 30, 2025 and 2024 the total matching safe harbor of up to 4 percent and a 1 percent non-contributory discretionary expenses were \$109,270 and \$129,448, respectively.

Deferred Compensation

The Organization provides deferred compensation to a former key employee. The assets are owned by the Organization until certain provisions of the plan are met by the employee. Deferred compensation liability for the years ended June 30, 2025 and 2024 was \$474,895 and \$447,784, respectively.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE J - BUILDING LEASES

The Organization rents part of its building under multi-year lease contracts. Rental income is used exclusively to maintain the building and no donor funds are used for this purpose. Estimated future rental income under the current leases as of June 30, 2025:

2026	\$	204,981
2027		146,082
2028		133,650

NOTE K - CONTRIBUTED NON-FINANCIAL ASSETS AND CONTRIBUTED SERVICES

Contributed Non-Financial Assets and Contributed Services

Description	2025		Utilization in	Valuation
	Revenue		Programs/Activit	Donor
	Recognized		ies	Restrictions
Services	\$	58,633	Marketing & Communications	No donor restrictions
		<u>58,633</u>		Values provided by entities providing services based on current rates for similar services.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

NOTE K - CONTRIBUTED NON-FINANCIAL ASSETS AND CONTRIBUTED SERVICES - Continued

Description	2024		Utilization in	Valuation
	Revenue	Programs/Activit	Donor	Techniques and
	Recognized	ies	Restrictions	Inputs
Radio, digital and other media	\$ 90,070	Marketing & Communications	No donor restrictions	Value provided by entities that place media with television, radio and social media platforms. Values
	\$ 90,070			

NOTE L - CREDIT RISK

Financial instruments that potentially subject the Organization to credit risk consist principally of cash at financial institutions and investments. At times, the balances in cash accounts may be in excess of FDIC insurance limits. The unlimited coverage is separate from, and in addition to, the insurance coverage provided for a depositor's other accounts held at an FDIC-insured bank. Management continuously monitors the Organization's balances at financial institutions and invests excess operating cash in short-term investments. Trident United Way maintains its cash accounts at various local banks. The cash in these accounts is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank at June 30, 2025 and 2024.

At June 30, 2025 and 2024, total cash held by the local banks totaled \$1,048,824 and \$619,572 of which no amounts were unsecured, respectively. The Organization has not experienced any losses in such accounts and believes it is not exposed to significant credit risk on its cash and cash equivalents.

The Organization also has cash (money market funds) held in an investment account with Morgan Stanley. The cash in this account is held in the trust department of Morgan Stanley and is not insured by the Securities Investor

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Protection Corporation (SIPC) or FDIC coverage. At June 30, 2025 and 2024, the total cash held by Morgan Stanley for the Organization was \$1,270,669 and \$730,948, respectively.

NOTE M - RELATED PARTY TRANSACTIONS

The Organization received contribution from several Board of Directors. These contributions totaled \$205,000 for the year ended June 30, 2025. One Board of Director through a Charitable Foundation provided a grant to the organization in the amount of \$280,000.

NOTE N - LEASE COMMITMENTS

The Organization leases an office building under a three-year non-cancelable lease agreement dated March 1, 2023. Monthly payments are \$6,650 and began on March 1, 2023. Monthly payments increase annually by 3%. This lease expires on March 1, 2026 with an annual renewal option. The right of use asset and corresponding liability is \$55,188 at June 30, 2025.

The Organization leases an office building under a three-year non-cancelable lease agreement dated August 1, 2024. Monthly payments are \$4,056 and began on September 1, 2024. Monthly payments increase annually by 3%. This lease expires on August 30, 2029 with an annual renewal option. The right of use asset and corresponding liability is \$186,283 at June 30, 2025.

The Organization leases five office copiers under a five-year non-cancelable lease agreement dated January 26, 2023. Monthly payments are \$2,194 and began on March 1, 2023. This lease expires on February 28, 2028 with an annual renewal option. The right of use asset and corresponding liability is \$63,655 at June 30, 2025.

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NOTE O – RISKS AND UNCERTAINTIES

The Organization invests in various investment instruments such as money market funds, fixed income, mutual funds and equities. Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility. Market risks include global events which could impact the value of investment securities, such as international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

NOTE P - SUBSEQUENT EVENTS

In accordance with ASC 855, the Organization evaluated subsequent events through December 15, 2025, the date the financial statements were available to be issued and has concluded no significant events meet the criteria of the professional accounting standards to be recognized or not recognized but disclosed in the financial statements.