

UNITED WAY OF ANCHORAGE
Financial Statements, Supplementary Information,
and Compliance Section
(With Independent Auditor's Report Thereon)
Years Ended June 30, 2025 and 2024

UNITED WAY OF ANCHORAGE

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and Compliance Section
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Independent Auditor's Report

Members of the Board of Directors
United Way of Anchorage
Anchorage, Alaska

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of United Way of Anchorage (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2025, on our consideration of United Way of Anchorage's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way of Anchorage's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way of Anchorage's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
November 25, 2025

UNITED WAY OF ANCHORAGE

Statement of Financial Position

June 30, 2025

<u>Assets</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents	\$ 2,761,264	297,289	3,058,553
Investments (note 4)	1,343,946	-	1,343,946
Campaign receivables, net of allowance for credit losses of \$37,055 (note 3)	551,396	-	551,396
Grants, contributions and other receivables	10	556,006	556,016
Prepaid expenses and other assets	244,139	-	244,139
Total current assets	<u>4,900,755</u>	<u>853,295</u>	<u>5,754,050</u>
Investments (note 4)	-	1,294,842	1,294,842
Property and equipment, net (note 5)	<u>2,120,911</u>	<u>-</u>	<u>2,120,911</u>
Total assets	<u>\$ 7,021,666</u>	<u>2,148,137</u>	<u>9,169,803</u>
<u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 583,093	-	583,093
Community investments and donor designations payable	476,123	-	476,123
Refundable advances and deferred contributions	1,225,454	-	1,225,454
Tenant security deposits	14,090	-	14,090
Total current liabilities	<u>2,298,760</u>	<u>-</u>	<u>2,298,760</u>
Net assets:			
Without donor restrictions:			
Undesignated	1,075,386	-	1,075,386
Board designated:			
Designated for current operations (note 2(b))	251,797	-	251,797
Contingency reserve	408,780	-	408,780
Board opportunity reserve	866,032	-	866,032
Designated for investment in property and equipment, net of debt	<u>2,120,911</u>	<u>-</u>	<u>2,120,911</u>
Total net assets without donor restriction	<u>4,722,906</u>	<u>-</u>	<u>4,722,906</u>
With donor restrictions (note 7):			
Perpetual in nature	-	1,294,842	1,294,842
Purpose restrictions	<u>-</u>	<u>853,295</u>	<u>853,295</u>
Total net assets with donor restriction	<u>-</u>	<u>2,148,137</u>	<u>2,148,137</u>
Total net assets	<u>4,722,906</u>	<u>2,148,137</u>	<u>6,871,043</u>
Total liabilities and net assets	<u>\$ 7,021,666</u>	<u>2,148,137</u>	<u>9,169,803</u>

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Statement of Financial Position

June 30, 2024

<u>Assets</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents	\$ 2,133,938	151,669	2,285,607
Investments (note 4)	4,107,782	-	4,107,782
Campaign receivables, net of allowance for credit losses of \$153,994 (note 3)	569,774	-	569,774
Grants, contributions and other receivables	878	1,275,464	1,276,342
Prepaid expenses and other assets	181,200	-	181,200
Total current assets	<u>6,993,572</u>	<u>1,427,133</u>	<u>8,420,705</u>
Investments (note 4)	-	1,337,837	1,337,837
Property and equipment, net (note 5)	<u>2,267,287</u>	<u>-</u>	<u>2,267,287</u>
Total assets	<u>\$ 9,260,859</u>	<u>2,764,970</u>	<u>12,025,829</u>
 <u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 607,024	-	607,024
Community investments and donor designations payable	1,264,388	-	1,264,388
Refundable advances and deferred contributions	3,147,317	-	3,147,317
Tenant security deposits	5,870	-	5,870
Total current liabilities	<u>5,024,599</u>	<u>-</u>	<u>5,024,599</u>
Net assets:			
Without donor restrictions:			
Undesignated	475,102	-	475,102
Board designated:			
Designated for current operations (note 2(b))	250,000	-	250,000
Contingency reserve	400,000	-	400,000
Board opportunity reserve	843,871	-	843,871
Designated for investment in property and equipment, net of debt	<u>2,267,287</u>	<u>-</u>	<u>2,267,287</u>
Total net assets without donor restriction	<u>4,236,260</u>	<u>-</u>	<u>4,236,260</u>
With donor restrictions (note 7):			
Perpetual in nature	-	1,337,837	1,337,837
Purpose restrictions	<u>-</u>	<u>1,427,133</u>	<u>1,427,133</u>
Total net assets with donor restriction	<u>-</u>	<u>2,764,970</u>	<u>2,764,970</u>
Total net assets	<u>4,236,260</u>	<u>2,764,970</u>	<u>7,001,230</u>
Total liabilities and net assets	<u>\$ 9,260,859</u>	<u>2,764,970</u>	<u>12,025,829</u>

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Statement of Activities

Year ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains (loss), and other support:			
Campaign results:			
United Way of Anchorage	\$ 3,153,096	250,491	3,403,587
Collections of prior year campaign contributions	20,026	-	20,026
Total campaign results	3,173,122	250,491	3,423,613
Less:			
Donor designations	(871,989)	-	(871,989)
Uncollectible campaign pledges recovery	55,539	-	55,539
Net campaign results	2,356,672	250,491	2,607,163
Designations from other United Ways	8,339	-	8,339
Donor designation and contracted services fees	243,045	-	243,045
Grants and contributions	6,859	5,534,059	5,540,918
Rental income (note 6)	165,552	-	165,552
Contributed nonfinancial assets	82,386	-	82,386
Investment income (loss), net	591,062	(62,995)	528,067
Other	474,561	-	474,561
Net assets released from restrictions (note 7)	6,338,388	(6,338,388)	-
Total revenues, gains (loss), and other support	10,266,864	(616,833)	9,650,031
Expenses:			
Program services:			
2-1-1	1,032,181	-	1,032,181
Housing	1,166,315	-	1,166,315
Community	698,707	-	698,707
Navigators	2,219,938	-	2,219,938
Board-directed community investment	-	-	-
Grants, sponsorships, and other programs	2,893,547	-	2,893,547
Supporting services:			
Management and general	403,422	-	403,422
Fundraising	1,366,108	-	1,366,108
Total expenses	9,780,218	-	9,780,218
Change in net assets	486,646	(616,833)	(130,187)
Net assets at beginning of year	4,236,260	2,764,970	7,001,230
Net assets at end of year	\$ 4,722,906	2,148,137	6,871,043

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Statement of Activities

Year ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains (loss), and other support:			
Campaign results:			
United Way of Anchorage	\$ 3,254,041	247,912	3,501,953
Public campaigns:			
SHARE	3,872	-	3,872
Municipal Employees	364	-	364
Collections of prior year campaign contributions	16,435	-	16,435
Total campaign results	3,274,712	247,912	3,522,624
Less:			
Donor designations	(1,046,205)	-	(1,046,205)
Uncollectible campaign pledges recovery	293,578	-	293,578
Net campaign results	2,522,085	247,912	2,769,997
Designations from other United Ways	3,568	-	3,568
Donor designation and contracted services fees	194,603	-	194,603
Grants and contributions	9,229	6,177,424	6,186,653
Rental income (note 6)	181,747	-	181,747
Contributed nonfinancial assets	250,958	-	250,958
Investment income (loss), net	537,158	64,900	602,058
Other	39,951	-	39,951
Net assets released from restrictions (note 7)	6,704,585	(6,704,585)	-
Total revenues, gains (loss), and other support	10,443,884	(214,349)	10,229,535
Expenses:			
Program services:			
2-1-1	1,335,324	-	1,335,324
Housing	1,093,747	-	1,093,747
Community	666,993	-	666,993
Navigators	2,436,996	-	2,436,996
Board-directed community investment	738,070	-	738,070
Grants, sponsorships, and other programs	2,893,910	-	2,893,910
Supporting services:			
Management and general	388,636	-	388,636
Fundraising	956,026	-	956,026
Total expenses	10,509,702	-	10,509,702
Change in net assets	(65,818)	(214,349)	(280,167)
Net assets at beginning of year	4,302,078	2,979,319	7,281,397
Net assets at end of year	\$ 4,236,260	2,764,970	7,001,230

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Statement of Functional Expenses

Year ended June 30, 2025

	Program services					Supporting services			
	2-1-1	Housing	Community	Navigators	Total	Management and General	Fundraising	Total	Total
Employee compensation:									
Salaries	\$ 449,776	410,534	322,374	816,419	1,999,103	946,075	633,720	1,579,795	3,578,898
Payroll taxes and fringe benefits	157,337	133,661	80,572	331,366	702,936	252,529	217,277	469,806	1,172,742
Total employee compensation	607,113	544,195	402,946	1,147,785	2,702,039	1,198,604	850,997	2,049,601	4,751,640
Professional fees	10,304	300,922	13,814	4,067	329,107	83,617	124,141	207,758	536,865
Building operating expenses, including depreciation of \$99,306	40,498	49,176	31,820	109,923	231,417	75,211	49,176	124,387	355,804
Supplies & IT	3,642	2,824	3,860	13,518	23,844	227,901	45,168	273,069	296,913
Awards and publicity	47,537	21,421	39,310	298,324	406,592	22,416	27,067	49,483	456,075
Equipment rental and repairs	2,059	320	1,220	3,138	6,737	18,337	22,696	41,033	47,770
Membership dues	714	29	84	505	1,332	85,491	286	85,777	87,109
Conferences, conventions, meetings, and major trips	189	2,629	89	89	2,996	1,149	624	1,773	4,769
Gaming expenses	-	-	-	-	-	4,463	-	4,463	4,463
Local transportation and meals	4,070	2,299	8,727	13,744	28,840	7,919	26,661	34,580	63,420
Depreciation	-	-	-	-	-	63,097	-	63,097	63,097
Banking fees	-	-	9	-	9	40,613	-	40,613	40,622
Telephone	29,971	-	507	15,356	45,834	-	21,870	21,870	67,704
Insurance	25	-	-	436	461	32,196	435	32,631	33,092
Postage and shipping	159	121	187	574	1,041	2,450	2,993	5,443	6,484
Distribution of allocable expenses	285,900	242,356	192,751	612,479	1,333,486	(1,527,480)	193,994	(1,333,486)	-
Other	-	23	3,383	-	3,406	67,438	-	67,438	70,844
Expenses before board-directed community investment and grants, sponsorships, and other programs	1,032,181	1,166,315	698,707	2,219,938	5,117,141	403,422	1,366,108	1,769,530	6,886,671
Board-directed community investment	-	-	-	-	-	-	-	-	-
Grants, sponsorships and other programs	300	2,847,997	41,881	3,369	2,893,547	-	-	-	2,893,547
Total expenses	\$ 1,032,481	4,014,312	740,588	2,223,307	8,010,688	403,422	1,366,108	1,769,530	9,780,218

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Statement of Functional Expenses

Year ended June 30, 2024

	Program services					Supporting services			Total
	2-1-1	Housing	Community	Navigators	Total	Management and General	Fundraising	Total	
Employee compensation:									
Salaries	\$ 476,166	395,953	293,900	741,967	1,907,986	821,145	540,528	1,361,673	3,269,659
Payroll taxes and fringe benefits	158,328	99,186	61,158	308,277	626,949	222,430	157,194	379,624	1,006,573
Total employee compensation	634,494	495,139	355,058	1,050,244	2,534,935	1,043,575	697,722	1,741,297	4,276,232
Professional fees	192,379	233,690	9,210	5,345	440,624	220,851	165,573	386,424	827,048
Building operating expenses, including depreciation of \$90,821	44,263	36,886	29,509	103,280	213,938	73,771	51,639	125,410	339,348
Supplies & IT	5,767	9,323	2,414	28,750	46,254	190,603	53,628	244,231	290,485
Occupancy expenses	31,705	20,514	15,009	53,936	121,164	45,710	34,977	80,687	201,851
Awards and publicity	71,203	10,937	35,126	433,680	550,946	15,530	13,868	29,398	580,344
Equipment rental and repairs	6,601	1,032	1,032	3,995	12,660	26,963	17,246	44,209	56,869
Membership dues	568	76	76	76	796	60,550	628	61,178	61,974
Conferences, conventions, meetings, and major trips	9	2,741	9	9	2,768	1,573	620	2,193	4,961
Gaming expenses	-	-	-	-	-	3,214	-	3,214	3,214
Local transportation and meals	7,189	17,328	6,560	7,942	39,019	9,612	26,238	35,850	74,869
Depreciation	-	-	-	-	-	22,100	-	22,100	22,100
Banking fees	-	-	-	-	-	30,919	54	30,973	30,973
Telephone	26,668	553	-	14,651	41,872	5,414	19,393	24,807	66,679
Insurance	-	-	-	567	567	26,780	67	26,847	27,414
Postage and shipping	230	59	55	1,276	1,620	2,242	3,460	5,702	7,322
Distribution of allocable expenses	314,248	261,873	209,498	733,245	1,518,864	(1,389,777)	(129,087)	(1,518,864)	-
Other	-	3,596	3,437	-	7,033	(994)	-	(994)	6,039
Expenses before board-directed community investment and grants, sponsorships, and other programs	1,335,324	1,093,747	666,993	2,436,996	5,533,060	388,636	956,026	1,344,662	6,877,722
Board-directed community investment	-	-	738,070	-	738,070	-	-	-	738,070
Grants, sponsorships and other programs	-	2,872,142	16,566	5,177	2,893,885	-	25	25	2,893,910
Total expenses	\$ 1,335,324	3,965,889	1,421,629	2,442,173	9,165,015	388,636	956,051	1,344,687	10,509,702

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Statements of Cash Flows

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows provided (used) by operating activities:		
Change in net assets	\$ (130,187)	(280,167)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	162,403	112,921
Credit losses expense (recovery)	(55,539)	(293,578)
Net realized and unrealized investment (gain)	(343,807)	(465,421)
Loss on disposal of capital assets	-	6,796
Changes in assets and liabilities that provided (used) cash:		
Campaign receivables	73,917	130,225
Grants, contributions and other receivables	720,326	(100,547)
Prepaid expenses and other assets	(62,939)	(33,490)
Accounts payable and accrued liabilities	(23,931)	(27,637)
Community investments and donor designations payable	(788,265)	(92,026)
Refundable advances and deferred contributions	(1,921,863)	(1,081,766)
Tenant security deposits	8,220	(10,897)
Net cash provided (used) by provided by operating activities	<u>(2,361,665)</u>	<u>(2,135,587)</u>
Cash flows provided (used) by investing activities:		
Purchase of capital assets	(16,027)	(563,514)
Sale of investments	12,624,076	1,777,291
Purchase of investments	<u>(9,473,438)</u>	<u>(1,342,893)</u>
Net cash provided (used) by investing activities	<u>3,134,611</u>	<u>(129,116)</u>
Change in cash and cash equivalents	772,946	(2,264,703)
Cash and cash equivalents at beginning of year	<u>2,285,607</u>	<u>4,550,310</u>
Cash and cash equivalents at end of year	\$ <u><u>3,058,553</u></u>	<u><u>2,285,607</u></u>
Supplemental disclosure of cash flow information:		
Contributed nonfinancial assets	\$ <u><u>82,386</u></u>	<u><u>250,958</u></u>

See accompanying notes to financial statements.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

(1) Nature of Operations

United Way of Anchorage (United Way), a nonprofit organization, opens doors to opportunities that meet Alaskans' needs and strengthen our communities. For nearly 70 years, United Way has brought people, ideas, and resources together to create solutions that empower Alaskans to thrive. Informed by community input, United Way focuses on financial security, healthy community, and youth opportunity. These priorities shape the initiatives, guide investments, and strengthen partnerships. United Way is building a community where every Alaskan can achieve their potential with community support.

(2) Summary of Significant Accounting Policies

(a) Use of Estimates

The preparation of the financial statements 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, gains, support, and expenses during the reporting period. Actual results could differ from those estimates.

(b) Basis of Presentation

The accompanying financial statements of United Way are presented on the accrual basis of accounting. They include the financial activities of the United Way Campaign and United Way's share of the activities of the Fall 2024 and 2023 Campaigns.

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (including certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (including certain grantor-) imposed restrictions. Some 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 donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The board of directors designates a portion of United Way's cumulative investment return for support of current operations; the remainder is retained to support operations of future years and to offset potential market declines. The amount computed under the endowment spending policy of the investment pool and all investment income earned by investing cash in excess of daily requirements are used to support current operations.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits, money market mutual funds, and all short-term highly liquid debt instruments purchased with an original maturity of three months or less.

United Way maintains its cash in major financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC insurance coverage at June 30, 2025 and 2024 was \$250,000 per financial institution. Uninsured and uncollateralized amounts were \$615,004 and \$685,175 at June 30, 2025 and 2024, respectively. Management believes that credit risk related to these deposits is minimal.

(d) Accounts Receivable and Credit Loss

Accounts and grants receivable are stated at the amount management expects to collect on outstanding balances other than campaign pledges. All accounts were deemed to be fully collectible by management and an allowance for credit loss has not been established, accordingly. Receivables are considered for credit loss on a case-by-case basis and written off when all collection efforts have been exhausted.

(e) Investments

Investments are recorded when purchased 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 gains and losses, less external and direct internal investment expenses.

(f) Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

(g) Property and Equipment

Property and equipment are recorded at cost. United Way capitalizes all equipment and buildings with a cost or basis in excess of \$5,000 and a useful life of greater than one year. Building depreciation is computed using the straight-line method over an estimated useful life of approximately 40 years. Equipment is recorded at cost or fair value, if donated, net of depreciation computed using the straight-line method over an estimated useful life of three to seven years.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(h) *Promises to Give, Donor Designations and Revenue Recognition*

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received cost-reimbursable grants that have not been recognized as revenue at June 30, 2025 and 2024 because qualifying expenditures have not yet been incurred, with advance payments of \$1,186,954 and \$3,098,067 recognized in the Statements of Financial Position as refundable advances as of June 30, 2025 and 2024, respectively. The Organization also receives advanced payment for corporate matches to future campaigns. As of June 30, 2025 and 2024 United Way of Anchorage had deferred contributions of \$38,500 and \$49,250, respectively.

Contributions from campaigns are recorded as revenue when United Way is notified in writing of an unconditional pledge. Donor designations are recognized as a receivable and a payable at the time the pledge is made to United Way and are not included in net campaign results.

Annual campaigns are predominantly conducted in the fall. The total results from the annual campaign are reduced by promises to give collected on behalf of others (donor designations) and by a provision for amounts promised but not paid (uncollectible promises to give).

Differences between amounts provided for uncollectible promises to give in each campaign and actual losses are an accounting adjustment in the year following the campaign.

Campaign pledges less the allowance for credit losses are expected to be received within one year. The provision for uncollectible promises to give is an estimate based on management's evaluation of the collectability of existing promises to give. The provision is based on the prior campaign collection experience. Pledges are charged off when all collection efforts have been exhausted.

(i) *Distribution of Donor Designations to Non-Profit Agencies*

Distribution of donor designated pledge receipts to agencies of the United Way of Anchorage federation are made in accordance with the donor intent and in compliance with each campaign's regulations. At minimum, distributions are made to each member organization by distributing a proportionate share of receipts based on donor designations to each agency.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(j) **Contributions of Nonfinancial Assets**

A substantial number of unpaid volunteers have made significant contributions of their time to participate in fundraising activities. The value of these donated services is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

Contributions of professional services, rent and other items are recognized as revenue at the time of the donation. If fair value is not readily available, an estimated fair value is used. These contributions of nonfinancial assets are reported as revenue and expense on the appropriate line item in the financial statements. United Way of Anchorage does not monetize contributed nonfinancial assets.

United Way's office rent was contributed by its lessor and was recorded at fair value as of the beginning of the lease term. Contributed rent amounted to \$200,460 in 2024. The lease terminated in 2025 as United Way moved into an office building owned by the Organization.

Contributions are allocated to programs based on program use:

June 30, 2025	2-1-1	Housing	Community	Navigators	Management and General	Fundraising	Total
Professional fees	\$ -	-	-	-	-	507	507
Supplies	-	6	-	-	-	-	6
Awards and publicity	150	34	11	2,025	322	78,692	81,234
Membership dues	-	-	-	390	-	249	639
Total	\$ 150	40	11	2,415	322	79,448	82,386

June 30, 2024	2-1-1	Housing	Community	Navigators	Management and General	Fundraising	Total
Supplies	\$ -	-	1,428	-	71	901	2,400
Occupancy expenses	-	16,923	88,486	-	42,119	52,932	200,460
Awards and publicity	-	20	42,923	-	209	2,288	45,440
Postage and shipping	-	-	-	-	-	8	8
Equipment rental and repairs	-	-	-	-	-	400	400
Telephone	-	-	2,250	-	-	-	2,250
Total	\$ -	16,943	135,087	-	42,399	56,529	250,958

(k) **Income Taxes**

United Way is a tax-exempt nonprofit organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is included in the financial statements. United Way earns unrelated business income through rental of commercial space. United Way's income tax liability related to the debt-financed income is not material to the financial statements. United Way's policy is to report interest and penalties associated with uncertain tax positions as income tax expense. As of June 30, 2025 and 2024 there were no uncertain tax positions, or unrecognized tax benefits for which management believes it is reasonably possible that the total amounts of tax contingencies will significantly increase or decrease within 12 months of the reporting date. With few exceptions, United Way is no longer subject to examinations by the federal and state authorities for the years before June 30, 2022.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(I) Functional Allocation of Expenses

United Way allocates total costs to the various functional expense categories. This allocation is based on actual costs incurred by functional expense category except common costs. Common costs, such as office rent, utilities and office supplies, are allocated primarily on the number of employees in each respective functional expenses category. The Organization's expenses are allocated to the following functions:

Program services:

2-1-1 – United Way connects individuals and families to resources when in financially precarious positions where basic needs are impacted. Provides navigation support to direct callers to appropriate community services. It is a one-stop resource for connecting with a wide variety of services in the community including emergency food and shelter, educational opportunities, alcohol and drug treatment programs, senior services, childcare, and much more.

Housing – United Way prevents homelessness and supports housing stability through the Eviction Diversion program, Landlord Housing Partnership, and Home for Good Anchorage. United Way partners with government, community organizations, and philanthropic organizations to provide resources and support across different levels of need. United Way's housing programs and partnership help the community move toward the goal of making homelessness a rare, brief, and one time event.

Community – United Way engages in a variety of activities aimed at fostering collaboration to achieve shared common goals and derive measurable improvements for the Anchorage community. This work includes the assistance provided through 2-1-1, when individuals or families are in financially precarious positions where their healthcare is impacted, working with improvements for students in our community, and working with partners across all sectors of the Anchorage community to develop and implement needed programs.

Navigators – United Way supports residents across Alaska by connecting them to health care coverage and guiding them through the enrollment process. Navigators work directly with consumers to determine program eligibility and assist with securing coverage. Once enrolled, navigators also provide education on how to effectively use that coverage to achieve the best possible health outcomes. United Way partners with community organizations to increase awareness of navigator services, and consumers can connect with a navigator through the 2-1-1 call center.

Supporting services:

Management and General – Includes United Way's functions necessary to maintain an adequate working environment; provide coordination of the programs; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Organization.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(m) Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses for the years ended June 30, 2025 and 2024 were \$360,845 and \$506,571, respectively.

(3) Campaign Receivables

A summary of campaign receivables at June 30 follows:

	2025	2024
Fall 2024 and 2023	\$ 588,451	723,768
Less allowance for credit losses	(37,055)	(153,994)
	<u>\$ 551,396</u>	<u>569,774</u>

(4) Investments

Fair market value summary of mutual fund and Exchange Traded Fund (ETF) investments at June 30 follows:

	2025	2024
Mutual Funds and ETFs:		
Equities:		
Large value	\$ 501,761	1,141,984
Large growth	253,184	454,796
Large blend	259,608	470,662
Mid-cap blend	333,230	374,483
Small blend	211,797	263,036
Real estate	22,651	147,606
Diversified emerging markets	73,272	212,660
International equities:		
Large value	110,503	243,068
Large blend	99,838	-
Large growth	96,016	300,868
Fixed income:		
Corporate bonds	522,258	1,824,010
Treasury bonds	154,670	6,291
Municipal bonds	-	6,155
Total investments	<u>\$ 2,638,788</u>	<u>5,445,619</u>
With donor restrictions	\$ 1,294,842	1,337,837
Without donor restrictions	<u>1,343,946</u>	<u>4,107,782</u>
Total investments	<u>\$ 2,638,788</u>	<u>5,445,619</u>

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

A fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value of all of United Way's investments are measured using Level 1 inputs.

(5) Property and Equipment

A summary of property and equipment at June 30 follows:

	2025	2024
Work in progress	\$ 5,000	-
Land	351,388	351,388
Buildings	3,417,936	3,417,936
Office equipment and furniture	361,433	350,406
	<u>4,135,757</u>	<u>4,119,730</u>
Accumulated depreciation	<u>(2,014,846)</u>	<u>(1,852,443)</u>
	<u>\$ 2,120,911</u>	<u>2,267,287</u>

Depreciation expense for the years ended June 30, 2025 and 2024 was \$162,403 and \$112,921, respectively.

(6) Operating Leases

United Way leases office space to other not-for-profit organizations. The organizations lease the space for an annual rent below the estimated fair value of the rent at the inception of the lease. The difference between the estimated fair value and rent received for the remaining term of the lease agreement for each tenant is recorded as a contribution payable. The carrying value of the building held for lease was \$1,984,057 at June 30, 2025 and 2024, respectively. Rent revenue is being recognized at the fair value over the term of the lease agreements. During the years ended June 30, 2025 and 2024, United Way recognized \$165,552 and \$181,747, respectively, in rental income, of which \$47,630 and \$52,745, respectively, represents the difference between the amount received and the estimated fair value.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

Minimum annual rental payments due under non-cancelable operating leases for the period subsequent to June 30, 2025 are as follows:

Year ending June 30:	Amount
2026	\$ 174,060
2027	178,265
2028	108,362
2029	13,637
Total	<u>\$ 474,324</u>

(7) Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30 restricted as to use consisted of the following:

	2025	2024
Points of Light	\$ 7,953	7,953
Settlement Fund	7,008	7,151
Kickoff Event	7,457	5,830
2-1-1 Call Center Operations	42,638	101,673
2-1-1 Administration	-	149,612
Education Initiatives	20,707	48,187
Donations - Fighting Homelessness	149,269	359,239
Cradle to Career	43,764	55,819
Anchorage Academies	32,573	32,367
Providence - Landlord Liaison	70,633	122,172
Providence - Landlord Housing Partnership	24,017	88,017
Stutzer Back on Track	91,121	94,810
Janet Weiss Education Opportunity	51,482	47,424
Donations - Hunger Relief	1,672	3,879
Muni Outcome	303,000	303,000
	<u>\$ 853,295</u>	<u>1,427,133</u>

Net assets with donor restrictions that are perpetual in nature at June 30, 2025 and 2024 consist of the Lucy Cuddy Endowment with a balance of \$1,294,842 and \$1,337,837, respectively. Earnings on the endowment are reported as "with donor restriction" until the earnings are approved to be released from restriction by the Board of Directors as part of the annual budgeting process.

Net assets of \$6,338,388 in 2025 and \$6,704,585 in 2024 were released from donor restriction by the passage of time or satisfying purposes designated by the donor.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(8) Contingencies

Amounts received or receivable from grantors are subject to audit and adjustment. Any disallowed claims, including amounts already collected, would become a liability of United Way. However, management believes that such claims, if any, would not be significant.

The Organization is self-insured for unemployment insurance, and thus retains the risk for this plan and, accordingly is liable for claims. Claims paid were \$5,348 and \$0 in 2025 and 2024, respectively. The State of Alaska credited back \$0 for claims in 2025 and 2024.

(9) Liquidity and Availability

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

Cash and cash equivalents	\$ 2,761,264
Operating investments	1,343,946
Campaign receivables, net	551,396
Grants, contributions and other receivables	10
	<u>\$ 4,646,616</u>

United Way's endowment fund consists of a donor-restricted endowment. Income from the donor-restricted endowment is released from restrictions by the board as part of the annual budgeting process.

As part of United Way's liquidity management plan, cash is invested in excess of daily requirements in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of any operating surplus to its operating reserve, which was \$251,797 and \$250,000 as of June 30, 2025 and 2024, respectively.

(10) Grants and Contributions

A summary of governmental and local grant revenue for the year ended June 30 as is follows:

	2025	2024
Federal	\$ 4,178,910	4,000,219
State of Alaska	130,997	321,179
Local	1,231,011	1,915,255
Total grants and contributions	<u>\$ 5,540,918</u>	<u>6,186,653</u>

(11) Retirement Plan

United Way of Anchorage maintains a tax sheltered annuity plan (403(b)) for qualifying employees. Employees who have completed at least one year and 1,000 hours of service are eligible under the plan after eligibility requirements have been met. Contributions are determined by the Board of Directors. Contributions of \$175,498 and \$144,676 were made to the plan during the years ended June 30, 2025 and 2024, respectively.

UNITED WAY OF ANCHORAGE

Notes to Financial Statements, Continued

(12) Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

(13) Subsequent Events

Management has evaluated subsequent events through November 25, 2025, the date which the financial statements were available for issue. No items were deemed necessary for adjustment or disclosure.

UNITED WAY OF ANCHORAGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2025

<u>Federal Agency/Program Title</u>	<u>Grant Number or Pass-through Entity Identifying Number</u>	<u>Assistance Listing Number</u>	<u>Total Grant Amount</u>	<u>Passed through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services:					
Direct:					
Social Services Research and Demonstration	90XP0456-01-03	93.647	\$ <u>1,000,000</u>	<u>-</u>	<u>161,659</u>
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges	NAVCA210412-03-00	93.332	1,640,000	-	175,989
Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges Total ALN # 93.332	NAVCMS240467-01-00	93.332	<u>2,000,000</u> <u>3,640,000</u>	<u>-</u> <u>-</u>	<u>1,615,262</u> <u>1,791,251</u>
Passed through Municipality of Anchorage:					
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	2024000592	93.391	125,000	-	47,285
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises Total passed through Municipality of Anchorage	2024000592	93.268	<u>125,000</u> <u>250,000</u>	<u>-</u> <u>-</u>	<u>47,285</u> <u>94,570</u>
Total U.S. Department of Health and Human Services			<u>4,890,000</u>	<u>-</u>	<u>2,047,480</u>
U.S. Department of Housing and Urban Development:					
Direct -					
Pay for Success Permanent Supportive Housing Demonstration	AK500PFS03	14.273	<u>1,528,818</u>	<u>-</u>	<u>120,688</u>
U.S. Department of the Treasury:					
Passed through Municipality of Anchorage:					
COVID-19 Emergency Rental Assistance Program	AR 2021-261(S-1)	21.023	600,000	-	258,382
COVID-19 Emergency Rental Assistance Program	AR 2021-261(S-1)	21.023	645,000	-	108,512
COVID-19 Emergency Rental Assistance Program	AR 2021-261(S-1)	21.023	160,000	-	14,933
COVID-19 Emergency Rental Assistance Program Total ALN # 21.023	AR 2021-261(S-1)	21.023	<u>250,000</u> <u>1,655,000</u>	<u>-</u> <u>-</u>	<u>47,721</u> <u>429,548</u>
U.S. Department of Justice:					
Passed through Municipality of Anchorage - Home for Good	15PBJA-23-GG-00915-PFSH	16.812	<u>979,250</u>	<u>-</u>	<u>508,658</u>
U.S. Department of Homeland Security:					
Direct -					
COVID-19 FEMA - Emergency Food and Shelter National Board Program	ARPAR-0188-00-012	97.024	<u>2,750,000</u>	<u>1,059,780</u>	<u>1,072,536</u>
Total expenditures of federal awards			\$ <u>11,803,068</u>	<u>1,059,780</u>	<u>4,178,910</u>

See accompanying notes to the Schedule.

UNITED WAY OF ANCHORAGE

Notes to Schedule of Expenditures of Federal Awards

June 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of United Way of Anchorage under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of United Way of Anchorage, it is not intended to and does not present the financial statements of United Way of Anchorage.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. United Way of Anchorage has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Passed Through to Subrecipients

The following amount was passed through to subrecipients:

ALN #97.024 -

Emergency Food and Shelter National Board Program

\$ 1,059,780

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Members of the Board of Directors
United Way of Anchorage
Anchorage, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of Anchorage (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated November 25, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Altman, Rogers & Co." in a cursive script.

Anchorage, Alaska
November 25, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

Members of the Board of Directors
United Way of Anchorage
Anchorage, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited United Way of Anchorage's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of United Way of Anchorage's major federal programs for the year ended June 30, 2025. United Way of Anchorage's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, United Way of Anchorage complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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



Anchorage, Alaska
November 25, 2025

UNITED WAY OF ANCHORAGE

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report?

_____ yes X no

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards

Internal control over major programs (2 CFR 200.516 (a)(1))?

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2))?

_____ yes X none reported

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR 200.516 (a)(3) or (4)?

_____ yes X no

Identification of major programs:

Assistance Listing Number(s)

21.023

93.332

Name of Federal Program

Emergency Rental Assistance

Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

X yes _____ no

UNITED WAY OF ANCHORAGE

Schedule of Findings and Questioned Costs, Continued

Section II – Financial Statement Findings

United Way of Anchorage did not have any findings that related to the financial statements.

Section III – Federal Award Findings and Questioned Costs

United Way of Anchorage did not have any findings that related to the federal awards.