



**UNITED WAY**

Virginia's Blue Ridge

# Financial Report

*(In Accordance with the Requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)*

June 30, 2025

# United Way of Virginia’s Blue Ridge Inc.

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## Independent Auditor's Report

To the Board of Directors  
United Way of Virginia's Blue Ridge, Inc.  
Roanoke, Virginia

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of United Way of Virginia's Blue Ridge, Inc. (the "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 financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of United Way of Virginia's Blue Ridge, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and 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 audit 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *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 the Organization'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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) 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 schedule of expenditures of federal awards 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 January 24, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Christiansburg, Virginia  
February 25, 2026



# Financial Statements

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# United Way of Roanoke Valley, Inc.

## Statements of Financial Position

June 30, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,806,455	\$ 2,775,307
Certificates of deposit	143,293	110,609
Pledges receivable, net (Note 2)	318,850	402,131
Other current assets	228,832	693,674
Total current assets	3,497,430	3,981,721
PROPERTY AND EQUIPMENT, net (Note 3)	91,354	592,266
BUILDING HELD FOR SALE (Note 3)	361,281	-
INVESTMENTS (Note 4)		
Investment in Foundation for Roanoke Valley	937,350	888,082
Investments	414,826	403,349
Total investments	1,352,176	1,291,431
BENEFICIAL INTEREST IN PREPETUAL TRUSTS (Note 4)	2,188,215	2,061,909
RIGHT-OF-USE ASSET	5,826	9,003
Total assets	\$ 7,496,282	\$ 7,936,330
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 372,513	\$ 541,741
Deferred revenue	91,549	301,500
Designations payable	73,041	274,457
Allocations payable	230,000	309,500
	767,103	1,427,198
LEASE LIABILITY	5,826	9,003
Total liabilities	772,929	1,436,201
<b>NET ASSETS</b>		
Without donor restrictions		
Operating	1,814,815	1,868,164
Investments	1,352,175	1,249,207
Land, building, and equipment	452,635	592,266
Total without donor restrictions	3,619,625	3,709,637
With donor restrictions (Note 5)	3,103,728	2,790,492
Total net assets	6,723,353	6,500,129
Total liabilities and net assets	\$ 7,496,282	\$ 7,936,330

# United Way of Roanoke Valley, Inc.

## Statement of Activities

Year Ended June 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>CAMPAIGNS AND OTHER REVENUE</b>			
Campaign results			
2023 annual campaign	\$ 1,460,984	\$ (1,441,725)	\$ 19,259
Less designations	(139,008)	129,365	(9,643)
Less allowance for uncollected pledges	(54,572)	120,000	65,428
Net 2023 campaign revenues	<u>1,267,404</u>	<u>(1,192,360)</u>	<u>75,044</u>
2024 annual campaign	-	1,367,782	1,367,782
Less 2024 – 2025 allocations	-	(230,000)	(230,000)
Less designations	-	(20,520)	(20,520)
Less allowance for uncollected pledges	-	(80,000)	(80,000)
Net 2024 campaign revenues	<u>-</u>	<u>1,037,262</u>	<u>1,037,262</u>
Net campaign revenues	<u>1,267,404</u>	<u>(155,098)</u>	<u>1,112,306</u>
Other revenue			
Gain on investments	49,268	126,306	175,574
Investments and miscellaneous income from operating assets	317,174	-	317,174
Pledge processing fees	6,211	-	6,211
Community initiatives	4,258,278	-	4,258,278
Contributions of nonfinancial assets	2,100	-	2,100
Loss on sale of asset	(443)	-	(443)
Net assets released from restrictions	41,170	(41,170)	-
Total other revenue	<u>4,673,758</u>	<u>85,136</u>	<u>4,758,894</u>
Total net campaign and other revenue	<u>5,941,162</u>	<u>(69,962)</u>	<u>5,871,200</u>
<b>ALLOCATIONS</b>			
Allocations to partner agencies			
All distributions to agencies	467,108	(383,198)	83,910
Less distributions funded through contributor designations	(139,008)	-	(139,008)
Total allocations to partner agencies	<u>328,100</u>	<u>(383,198)</u>	<u>(55,098)</u>
<b>EXPENSES</b>			
Program expenses			
Community initiatives	4,223,908	-	4,223,908
Community impact	331,144	-	331,144
Total program expenses	<u>4,555,052</u>	<u>-</u>	<u>4,555,052</u>
Support expenses			
Management and general	662,338	-	662,338
Fundraising	442,552	-	442,552
Payments to affiliated organizations	43,132	-	43,132
Total support expenses	<u>1,148,022</u>	<u>-</u>	<u>1,148,022</u>
Total expenses	<u>5,703,074</u>	<u>-</u>	<u>5,703,074</u>
<b>CHANGE IN NET ASSETS</b>	<u>(90,012)</u>	<u>313,236</u>	<u>223,224</u>
<b>NET ASSETS</b>			
Beginning	3,709,637	2,790,492	6,500,129
Ending	<u>\$ 3,619,625</u>	<u>\$ 3,103,728</u>	<u>\$ 6,723,353</u>

# United Way of Roanoke Valley, Inc.

## Statement of Activities

Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>CAMPAIGNS AND OTHER REVENUE</b>			
Campaign results			
2022 annual campaign	\$ 1,438,935	\$ (1,411,186)	\$ 27,749
Less designations	(170,080)	205,686	35,606
Less allowance for uncollected pledges	(72,381)	120,000	47,619
Net 2022 campaign revenues	<u>1,196,474</u>	<u>(1,085,500)</u>	<u>110,974</u>
2023 annual campaign	-	1,441,725	1,441,725
Less 2023 – 2024 allocations	-	(309,500)	(309,500)
Less designations	-	(129,365)	(129,365)
Less allowance for uncollected pledges	-	(120,000)	(120,000)
Net 2023 campaign revenues	<u>-</u>	<u>882,860</u>	<u>882,860</u>
Net campaign revenues	<u>1,196,474</u>	<u>(202,640)</u>	<u>993,834</u>
Other revenue			
Gain on investments	101,746	146,277	248,023
Investments and miscellaneous income from operating assets	230,341	-	230,341
Pledge processing fees	4,896	-	4,896
Community initiatives	4,182,156	-	4,182,156
Contributions of nonfinancial assets	98,950	-	98,950
Net assets released from restrictions	139,173	(139,173)	-
Total other revenue	<u>4,757,262</u>	<u>7,104</u>	<u>4,764,366</u>
Total net campaign and other revenue	<u>5,953,736</u>	<u>(195,536)</u>	<u>5,758,200</u>
<b>ALLOCATIONS</b>			
Allocations to partner agencies			
All distributions to agencies	498,205	(270,991)	227,214
Less distributions funded through contributor designations	(170,080)	-	(170,080)
Total allocations to partner agencies	<u>328,125</u>	<u>(270,991)</u>	<u>57,134</u>
<b>EXPENSES</b>			
Program expenses			
Community initiatives	4,211,732	-	4,211,732
Community impact	349,181	-	349,181
Total program expenses	<u>4,560,913</u>	<u>-</u>	<u>4,560,913</u>
Support expenses			
Management and general	695,359	-	695,359
Fundraising	454,480	-	454,480
Payments to affiliated organizations	49,758	-	49,758
Total support expenses	<u>1,199,597</u>	<u>-</u>	<u>1,199,597</u>
Total expenses	<u>5,760,510</u>	<u>-</u>	<u>5,760,510</u>
CHANGE IN NET ASSETS	(134,899)	75,455	(59,444)
<b>NET ASSETS</b>			
Beginning	3,844,536	2,715,037	6,559,573
Ending	<u>\$ 3,709,637</u>	<u>\$ 2,790,492</u>	<u>\$ 6,500,129</u>

# United Way of Roanoke Valley, Inc.

## Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services		Support Expenses			Total Expenses
	Community Initiatives	Community Impact	Management and General	Fund Raising	Other	
Salaries	\$ 1,036,387	\$ 198,015	\$ 442,985	\$ 283,197	\$ -	\$ 1,960,584
Employee benefits and taxes	284,126	56,246	137,097	73,669	-	551,138
Contract labor	218,839	1,014	-	5,210	-	225,063
Total salaries and related expenses	1,539,352	255,275	580,082	362,076	-	2,736,785
Occupancy	48,693	11,721	2,265	5,496	-	68,175
Printing and publications	31,770	11,477	3,556	14,056	-	60,859
Repairs and maintenance	21,830	6,702	10,580	2,467	-	41,579
Supplies	2,339,421	19,409	(230)	34,265	-	2,392,865
Conferences, meetings, and travel	69,478	532	2,619	2,482	-	75,111
Staff training	17,879	980	593	283	-	19,735
Postage	4,020	1,941	133	5,679	-	11,773
Telecommunications	26,282	7,491	11,765	8,904	-	54,442
Professional fees	33,589	10,369	1,255	3,712	-	48,925
Dues and subscriptions	17,558	1,532	745	1,593	-	21,428
Depreciation	-	-	45,427	-	-	45,427
Miscellaneous	10,773	3,715	3,548	1,539	-	19,575
Payments to affiliated organizations	-	-	-	-	43,132	43,132
Project funding	63,263	-	-	-	-	63,263
	<b>\$ 4,223,908</b>	<b>\$ 331,144</b>	<b>\$ 662,338</b>	<b>\$ 442,552</b>	<b>\$ 43,132</b>	<b>\$ 5,703,074</b>

The Notes to Financial Statements are an integral part of these statements.

# United Way of Roanoke Valley, Inc.

## Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services		Support Expenses			Total Expenses
	Community Initiatives	Community Impact	Management and General	Fund Raising	Other	
Salaries	\$ 1,015,827	\$ 176,463	\$ 451,718	\$ 238,464	\$ -	\$ 1,882,472
Employee benefits and taxes	262,742	47,090	128,948	59,305	-	498,085
Contract labor	274,849	300	-	21,148	-	296,297
Total salaries and related expenses	1,553,418	223,853	580,666	318,917	-	2,676,854
Occupancy	14,700	25,854	7,187	15,549	-	63,290
Printing and publications	18,859	9,192	3,750	14,727	-	46,528
Repairs and maintenance	422	16,644	12,699	9,574	-	39,339
Supplies	2,387,124	28,923	5,608	44,648	-	2,466,303
Conferences, meetings, and travel	71,141	307	1,945	4,691	-	78,084
Staff training	10,311	230	302	1,648	-	12,491
Postage	237	4,283	781	6,148	-	11,449
Telecommunications	13,117	12,960	13,623	13,588	-	53,288
Professional fees	-	13,121	10,228	7,441	-	30,790
Dues and subscriptions	294	2,161	560	1,683	-	4,698
Depreciation	-	-	54,332	-	-	54,332
Miscellaneous	2,936	11,653	3,678	15,866	-	34,133
Payments to affiliated organizations	-	-	-	-	49,758	49,758
Project funding	139,173	-	-	-	-	139,173
	<b>\$ 4,211,732</b>	<b>\$ 349,181</b>	<b>\$ 695,359</b>	<b>\$ 454,480</b>	<b>\$ 49,758</b>	<b>\$ 5,760,510</b>

# United Way Virginia's Blue Ridge Inc.

## Statements of Cash Flows Years Ended June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 223,224	\$ (59,444)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	45,427	54,332
Gain on sale of land	(2,579)	-
Gain on investments and beneficial interest in perpetual trusts	(187,051)	(248,027)
Change in assets and liabilities		
Increase (decrease) in:		
Pledges receivable	83,281	(42,484)
Other current assets	464,842	300,490
Increase (decrease) in:		
Accounts payable and accrued expenses	(169,228)	31,115
Deferred revenue	(209,951)	258,188
Designations payable	(201,416)	79,245
Allocations payable	(79,500)	-
Net cash provided by (used in) operating activities	(32,951)	373,415
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(5,796)	(100,473)
Proceeds from sale of land	102,579	-
Change in certificates of deposit	(32,684)	(1,271)
Net cash provided by (used in) investing activities	64,099	(101,744)
Increase in cash and cash equivalents	31,148	271,671
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning	2,775,307	2,503,636
Ending	\$ 2,806,455	\$ 2,775,307

# United Way of Virginia's Blue Ridge

## Notes to Financial Statements

June 30, 2025

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### Note 1 – Organization and Significant Accounting Policies

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#### *Organization*

The United Way of Virginia's Blue Ridge, Inc. (the "Organization") is a nonprofit organization that advances the common good by mobilizing the caring power of people in the Roanoke Valley and serves Roanoke, Salem, Vinton, and the counties of Botetourt, Craig, and Roanoke. In October 2017, United Way of Franklin County and United Way of Roanoke Valley regionalized operations, and the Organization now also serves Franklin County. The Organization engages and mobilizes local businesses, nonprofits, and individuals to raise funds and invest in high quality human service programs that improve lives and strengthen our community. The Organization mobilizes the support of over a thousand volunteers to LIVE UNITED in the Roanoke Valley. Volunteers participate in a variety of ways to bring lasting positive change.

#### *Basis of Financial Statement Presentation*

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Net assets without donor restrictions** are amounts currently available for use in the Organization's operations.

**Net assets with donor restrictions** are limited in use by donor-imposed stipulations that expire either by the passage of time or that can be fulfilled by action of the Organization pursuant to those stipulations. Net assets with donor restrictions also include amounts required by donors to be held in perpetuity; however, the income on these assets is available to meet various restricted and other operating needs.

#### *Cash and Cash Equivalents*

For the purpose of reporting cash flows, the Organization considers all highly liquid investments purchased with an initial maturity of three months or fewer to be cash equivalents.

Cash is held in banks located in Virginia and is insured by the Federal Deposit Insurance Corporation (FDIC). At times, the balance in these accounts may be in excess of federally insured limits. The Organization's management believes that there is no significant risk with respect to these deposits.

#### *Certificates of Deposit*

Certificates of deposit have original maturity dates ranging from 12 to 48 months.

#### *Contributions Received and Pledges Receivable*

Contributions, including unconditional promises to give or pledges receivable, are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions, when the donor's commitment is received.

Conditional promises to give are not recognized until they become unconditional – i.e., when the conditions on which they depend are substantially met. Contributions of certain assets other than cash are recorded at estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed

# United Way of Virginia’s Blue Ridge

## Notes to Financial Statements

June 30, 2025

restrictions, if any, on the contributions. If necessary, an allowance for uncollectible pledges receivable is provided based upon management’s judgment.

### *Property and Equipment*

Purchases of property and equipment in excess of \$500 are capitalized at cost. Property and equipment are carried at cost, or if donated, at fair value at the date of donation. Depreciation is computed using the straight-line method based on the following estimated useful lives:

Equipment	5 – 10 years
Building	30 years

### *Deferred Revenue*

Deferred revenue at June 30, 2025 and 2024, consisted of grant funds received but not expended in the current year.

### *Campaign and Allocations*

The 2022 annual campaign was to fund the July 2023 to June 2024 allocations to agencies. The 2023 annual campaign is to fund the July 2024 to June 2025 allocations to agencies. Campaign contributions received for the subsequent years’ allocations are recorded as net assets with donor restrictions in the year of receipt net of designations and an allowance for uncollected pledges. In addition, campaign contributions received for the subsequent year are reduced by the amount of allocations accrued for the subsequent period. These accrued amounts are included on the statements of financial position as allocations payable.

### *Expense Allocation – Functional Expenses*

In the accompanying statements of functional expenses, all expenses are allocated based upon the functions to which they relate. Expenses were allocated among the functional categories on the basis of specific identification and estimates of time spent and benefits derived.

### *Income Taxes*

The Organization is exempt from income taxes under *Internal Revenue Code* Section 501(c)(3).

### *Estimates*

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

### *Subsequent Events*

Subsequent events were considered through February 25, 2026, the date the financials were available to be issued.

# United Way of Virginia's Blue Ridge

## Notes to Financial Statements

June 30, 2025

### Note 2 – Pledges Receivable

Pledges receivable were classified as follows:

	<b>2025</b>	<b>2024</b>
Pledges (expected to be collected within one year)	\$ 398,850	\$ 522,131
Less allowance	(80,000)	(120,000)
	<b>\$ 318,850</b>	<b>\$ 402,131</b>

All pledges receivable were classified as net assets with donor restrictions at June 30, 2025 and 2024.

### Note 3 – Property and Equipment

Property and equipment at June 30 consisted of the following:

	<b>2025</b>	<b>2024</b>
Land	\$ 44,500	\$ 44,500
Land for sale	-	100,000
Building	-	1,061,483
Equipment	327,930	370,981
Art collection	6,250	7,446
	<b>378,680</b>	<b>1,584,410</b>
Less accumulated depreciation	(287,326)	(992,144)
	<b>\$ 91,354</b>	<b>\$ 592,266</b>

During the year, the Organization listed the building with a net book value of \$361,281 for sale. The building was sold in November 2025 for \$1,150,000.

### Note 4 – Planned Gifts and Investments

#### *Beneficial Interest in Perpetual Trusts*

The Organization is the beneficiary of perpetual irrevocable trusts held and administered by independent trustees. Under the terms of the trusts, the Organization has the irrevocable right to receive the income earned on trust assets in perpetuity. The fair value of the beneficial interest in a trust is recognized as an asset and as a net asset with donor restrictions contribution at the date the trust is established. The Organization's estimated fair value at each reporting date is based on fair value information received from trustees. Trust assets consist of, but are not limited to, cash and cash equivalents, corporate and government bonds, mutual funds, and equity securities. These assets are not subject to control or direction by the Organization. Gains and losses on investments, which are not distributed by the trusts, are included in other revenue on the statements of activities.

#### *Investment in Foundation for Roanoke Valley*

The Foundation for Roanoke Valley (the "Foundation") is a community foundation trust established to receive and administer funds for various charitable organizations in the Roanoke Valley. The Organization's investment in the

# United Way of Virginia's Blue Ridge

## Notes to Financial Statements

June 30, 2025

Foundation is stated at fair market value. The Foundation's portfolio consists mainly of equities and fixed-income investments that are carried at fair value based on quoted prices in active markets.

### *Investments*

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the statements of activities.

The fair values of investment securities at June 30 were as follows:

	<b>2025</b>	<b>2024</b>
Money market	\$ 136,223	\$ 127,807
Marketable equity securities	218,058	236,282
Bond mutual funds	39,586	32,455
Equity mutual funds	20,959	6,805
	<b><u>\$ 414,826</u></b>	<b><u>\$ 403,349</u></b>

### **Note 5 – Net Assets with Donor Restrictions**

Donor-restricted net assets for specific purposes and time are classified as follows:

	<b>2025</b>	<b>2024</b>
Net 2023 campaign revenue	\$ -	\$ 724,767
Net 2024 campaign revenue	911,697	-
	<b><u>\$ 911,697</u></b>	<b><u>\$ 724,767</u></b>

Donor-restricted net assets held in perpetuity are classified as follows:

	<b>2025</b>	<b>2024</b>
Beneficial interest in perpetual trusts	\$ 2,188,215	\$ 2,061,909
Investment in Foundation for Roanoke Valley	3,816	3,816
	<b><u>\$ 2,192,031</u></b>	<b><u>\$ 2,065,725</u></b>
Total net assets with donor restrictions	<b><u>\$ 3,103,728</u></b>	<b><u>\$ 2,790,492</u></b>

### **Note 6 – Nonfinancial Contributions**

Nonfinancial Contributions received by the Organization of the following for the years ended June 30:

	<b>2025</b>	<b>2024</b>
Donated services	<b><u>\$ 2,100</u></b>	<b><u>\$ 98,950</u></b>

### *Donated Services*

Certain donors provide services for the Organization. The value of these services are based on either fair market values if they had been otherwise purchased or information provided by the donor regarding market value. The donated cost of these services are included in expense accounts on the statement of functional expenses.

# United Way of Virginia's Blue Ridge

## Notes to Financial Statements

June 30, 2025

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### Note 7 – Retirement Plan

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The Organization has a defined contribution plan covering all employees having at least one year of service. Under this plan, the employer shall contribute on behalf of each participant an amount equal to 7.5% of the participant's annual compensation. Total contributions to the plan for the years ended June 30, 2025 and 2024 were \$142,054 and \$122,910, respectively.

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### Note 8 – Donated Services

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The Organization has a substantial number of volunteers who have donated significant amounts of their time in the Organization's program services and fundraising campaigns. In accordance with accounting principles generally accepted in the United States of America, no amounts have been reflected on the financial statements for these services.

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### Note 9 – Emergency Food and Shelter Board

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The Emergency Food and Shelter Board was established on March 24, 1983, with the signing of the "Job Stimulus Bill," Public Law 98-8. This legislation created a national board which distributes federal funds through local boards to nonprofit organizations for the purpose of extending ongoing emergency food and shelter programs. The Organization provides administrative support to the local Emergency Food and Shelter Board. In accordance with program guidelines, local boards can allocate up to 2% of the total funds awarded to a jurisdiction for administrative purposes. Administrative fees allocated were \$354 and \$1,069 for June 30, 2025 and 2024, respectively. A total of \$22,095 and \$47,398 in federal funds were distributed in the Roanoke Valley for the years ended June 30, 2025 and 2024, respectively.

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### Note 10 – Line of Credit

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The Organization opened a \$370,000 revolving line of credit on March 14, 2024, with a bank for operating purposes bearing interest at a variable rate (7.0% at June 30, 2025) and is due on demand. As of June 30, 2025, there was no outstanding balance on the line of credit.

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### Note 11 – Fair Value Measurement

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The Organization has adopted accounting standards which establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

**Level 1** – Inputs to the valuation methodology are based on unadjusted quoted prices for identical instruments in active markets that the Organization has the ability to access.

**Level 2** – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for similar or identical assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and

# United Way of Virginia's Blue Ridge

## Notes to Financial Statements

June 30, 2025

- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3** – Inputs to the valuation methodology are unobservable and significant to the overall fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques are used to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value:

	June 30, 2025		
	Fair Value	Level 1	Level 2
Money market	\$ 136,223	\$ 136,223	\$ -
Marketable equity securities	218,058	218,058	-
Bond mutual funds	39,586	39,586	-
Equity mutual funds	20,959	20,959	-
Beneficial interest in perpetual trusts	2,188,215	-	2,188,215
Investment in Foundation for Roanoke Valley	937,350	-	937,350
	<b>\$ 3,540,391</b>	<b>\$ 414,826</b>	<b>\$ 3,125,565</b>

  

	June 30, 2024		
	Fair Value	Level 1	Level 2
Money market	\$ 127,807	\$ 127,807	\$ -
Marketable equity securities	236,282	236,282	-
Bond mutual funds	32,455	32,455	-
Equity mutual funds	6,805	6,805	-
Beneficial interest in perpetual trusts	2,061,909	-	2,061,909
Investment in Foundation for Roanoke Valley	888,082	-	888,082
	<b>\$ 3,353,340</b>	<b>\$ 403,349</b>	<b>\$ 2,949,991</b>

### Note 12 – Related Parties

The Organization's Board of Directors includes the following related parties:

- A board member works for Atlantic Union Bank (formerly American National) where three deposit accounts are held in the amount \$692,191 and \$488,028, at June 30, 2025 and 2024, respectively.
- A board member works for Wells Fargo where a deposit account is held in the amount of \$55,486 and \$54,917, at June 30, 2025 and 2024, respectively.
- A board member works for Freedom First where two deposit accounts are held in the amount of \$266,744 and \$253,696, at June 30, 2025 and 2024, respectively.
- A board member works for Truist Bank where a deposit account is held in the amount of \$41,634.

# United Way of Virginia's Blue Ridge

## Notes to Financial Statements

June 30, 2025

### Note 13 – Financial Assets and Liquidity Resources

As part of the Organization's liquidity management, it invests excess cash in money markets, certificates of deposit, and equity securities. The Organization's Board of Directors has set a policy of maintaining at least three "months in funds" balance, and a maximum of six "months in funds" balance, to be used for liquidity purposes. Additionally, the Organization maintains a \$370,000 line of credit, as discussed in more detail in Note 10. As of June 30, 2025, \$370,000 remained available on the line of credit, which was opened on March 14, 2024.

As of June 30, financial assets due within one year of the statements of financial position date for general expenditure were as follows:

	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 2,806,455	\$ 2,775,307
Pledges receivable, net	318,850	402,131
Investments	414,826	403,349
	<u>3,540,131</u>	<u>3,580,787</u>
Cash restricted for designations and allocations payable	(363,187)	(466,845)
	<u><u>\$ 3,176,944</u></u>	<u><u>\$ 3,113,942</u></u>

### Note 14 – Allocations Payable

The Community Impact Committee, comprised of volunteers, determines how funds are allocated for programming that addresses the identified needs in the community. The committee's intent was to allow for flexibility in meeting the needs of the community. Therefore, the committee awarded \$230,000 and \$309,500 to partner organizations as reflected in the allocations payable at June 30, 2025 and 2024, respectively. The funds will be utilized for the Franklin County Community Health Workers and support staffing for Family Health Strategies.

### Note 15 – Lease Accounting

The Organization leases various equipment and office spaces as part of its operations. The terms of these leases range from 1 to 5 years for operating leases, expiring on various dates from 2024 to 2027. Annual payments under these agreements range from \$2,400 to \$4,800 for operating leases. Rent expense under these leases amounted to \$5,575 for operating leases and \$- for finance leases for the year ended June 30, 2025. Rent expense under these leases amounted to \$5,000 for operating leases and \$-0- for finance leases for the year ended June 30, 2024.

The Organization's future minimum payments due under operating leases are as follows:

<b>Year Ending</b>			
<b>June 30,</b>	<b>Operating Leases</b>	<b>Finance Leases</b>	<b>Total</b>
2026	\$ 3,179	\$ -	\$ 3,179
2027	2,647	-	2,647
	<u><u>\$ 5,826</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,826</u></u>



# **Compliance Section**

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## **Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors  
United Way of Virginia’s Blue Ridge, Inc.  
Roanoke, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of Virginia’s Blue Ridge, Inc. (the “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 February 25, 2026.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization’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 Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. **Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.**

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.**

### 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Christiansburg, Virginia  
February 25, 2026

## **Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

To the Board of Directors  
United Way of Virginia’s Blue Ridge, Inc.  
Roanoke, Virginia

### **Report on Compliance for Each Major Federal Program**

#### *Opinion on Each Major Federal Program*

We have audited United Way of Virginia’s Blue Ridge, Inc.’s (the “Organization”) 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 the Organization’s major federal programs for the year ended June 30, 2025. The Organization’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Christiansburg, Virginia  
February 25, 2026

# United Way of Virginia’s Blue Ridge, Inc.

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-Through Entity Identifier	Expenditures
<u>U.S. Department of Health and Human Services</u>			
CCDF Cluster:			
Pass-through from Virginia Early Childhood Foundation Administration for Children	93.575	2402VACCDD	\$ 1,082,216
	93.575	2102VACDC6	58,799
Pass-through from Childhood Development Resources	93.575	2302VACCDD	329,856
Total Childcare and Development Block Grant (CCDF Cluster)	93.575		1,470,871
Pass-through from Virginia Early Childhood Foundation Temporary Assistance for Needy Families (TANF)	93.558	2301VATANF	100,000
ESSA-Preschool Development Grants	93.434	90TP0136	800
Virginia Early Childhood Foundation (DSI) – Maternal and Child Health Services Block Grant	93.994	B0445250	38,162
Early Impact Virginia (DSI) – HIV/AIDS Surveillance	93.944	6B04MC4745200	36,184
West Piedmont Health District – Immunization Cooperative Agreements	93.268	NH23IP922610	138,898
			314,044
Total U.S. Department of Health and Human Services			1,784,915
<u>U.S. Department of the Treasury</u>			
Pass-through from City of Roanoke, Virginia COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027		58,133
Total Federal Expenditures			<b>\$ 1,843,048</b>

### **Note 1 – Basis of Presentation**

This schedule of expenditures of federal awards was prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### **Note 2 – Indirect Cost Rate**

The Organization did not elect to use the 10% de minimis indirect cost rate.

# United Way of Virginia's Blue Ridge, Inc.

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

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### A – Summary of Auditor's Results

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1. The auditor's report expresses an **unmodified opinion** on whether the financial statements of United Way Virginia's Blue Ridge Inc. were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).
2. **No significant deficiencies and no material weaknesses** during the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. **No instances of noncompliance** material to the financial statements of United Way Virginia's Blue Ridge Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. **No significant deficiencies and no material weaknesses** in internal control over major federal award programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award program for United Way Virginia's Blue Ridge Inc. expresses an **unmodified opinion**.
6. The audit disclosed **no audit findings** relating to the major program.
7. The program tested as a major program was the following:  

93.575            CCDF Cluster – Child Care and Development Block Grant
8. The threshold for distinguishing Types A and B programs was **\$750,000**.
9. United Way Virginia's Blue Ridge Inc. was determined to be a **low-risk auditee**.

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### B – Findings – Financial Statement Audit

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None.

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### C – Findings and Questioned Costs – Major Federal Award Program Audit

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None.