BERKSHIRE UNITED WAY, INC.

FINANCIAL STATEMENTS

JUNE 30, 2026 WITH COMPARATIVE TOTALS
FOR THE YEAR ENDED JUNE 30, 2025

BERKSHIRE UNITED WAY, INC.
FINANCIAL STATEMENTS

TABLE OF CONTENTS

Independent Auditors' Report	1 - 2
Financial Statements:	
Statements of Financial Position	3
Statement of Activities	4
Statements of Cash Flows	5
Statements of Functional Expenses	6 - 7
Notes to Financial Statements	8 - 19

MeyersBrothersKalicka, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS STRATEGISTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Berkshire United Way, Inc.

Opinion

We have audited the accompanying financial statements of Berkshire United Way, Inc. (a nonprofit "Organization"), which comprise the statement of financial position as of June 30, 2026, and the related statements of activities, cash flows, and functional expenses for the year 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 Berkshire United Way, Inc. as of June 30, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Berkshire United Way, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Berkshire United Way, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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, 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 Berkshire United Way, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Berkshire United Way, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Berkshire United Way, Inc.'s 2025 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 24, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Meyers Brothers Kalicka, P.C.

Holyoke, Massachusetts
October 23, 2026

BERKSHIRE UNITED WAY, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2026 AND 2025

ASSETS

	2026	2025
Assets		
Cash and cash equivalents	$ 555,645	$ 312,748
Term deposit	-	109,869
Contributions receivable, net	355,235	445,826
Prepaid expenses	49,760	16,598
Investments, at fair market value	4,209,415	4,400,495
Operating lease - right of use asset, net	208,661	257,132
Property and equipment, net	16,606	12,474
Total assets	$ 5,395,322	$ 5,555,142

LIABILITIES AND NET ASSETS

Liabilities		
Community grants payable	$ 759,667	$ 1,009,667
Due to designated agencies	73,817	57,942
Operating lease liability	208,661	257,132
Accounts payable	92,073	105,422
Accrued expenses	52,776	87,562
Total liabilities	1,186,994	1,517,725
Net assets		
Without donor restrictions		
Undesignated	2,112,153	1,844,422
Board designated reserve	658,000	772,000
Property and equipment	16,606	12,474
Total without donor restrictions	2,786,759	2,628,896
With donor restrictions	1,421,569	1,408,521
Total net assets	4,208,328	4,037,417
Total liabilities and net assets	$ 5,395,322	$ 5,555,142

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

BERKSHIRE UNITED WAY, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE TOTALS FOR 2025

	2026			2025
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues, gains and other support				
Campaign contributions				
Total campaign amounts raised	$ 1,499,778	$ -	$ 1,499,778	$ 1,556,701
Special event contributions	43,093	-	43,093	53,920
Special event income	36,473	-	36,473	47,526
In-kind support	13,498	-	13,498	5,105
Less: amounts raised on behalf of others	(61,213)	-	(61,213)	(65,732)
Net campaign contributions	1,531,629	-	1,531,629	1,597,520
Interest and dividend income, net of investment fees	58,850	34,217	93,067	95,747
Administrative fees charged on designations	2,642	-	2,642	2,720
Grant income	16,497	56,899	73,396	13,500
Bequests	70,000	-	70,000	397,658
Realized and unrealized gains on investments	268,622	114,897	383,519	256,321
Released from restrictions (SABIC endowment)	89,835	(89,835)	-	-
Released from restrictions (Venture Fund)	34,500	(34,500)	-	-
Released from restrictions (United Response)	51,630	(51,630)	-	-
Investment return released for operations	17,000	(17,000)	-	-
Total revenues, gains and other support	2,141,205	13,048	2,154,253	2,363,466
Expenses				
Program services	1,299,629	-	1,299,629	1,702,948
Management and general	193,890	-	193,890	183,449
Fundraising (resource development)	489,823	-	489,823	547,416
Total expenses	1,983,342	-	1,983,342	2,433,813
Change in net assets	157,863	13,048	170,911	(70,347)
Net assets, beginning of year	2,628,896	1,408,521	4,037,417	4,107,764
Net assets, end of year	$ 2,786,759	$ 1,421,569	$ 4,208,328	$ 4,037,417

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

BERKSHIRE UNITED WAY, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

	2026	2025
Cash flows from operating activities		
Change in net assets	$ 170,911	$ (70,347)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	7,760	8,082
Net realized and unrealized gain on investments	(383,519)	(256,321)
Provision for uncollectible pledges	74,289	77,185
Amortization of operating lease - right of use asset	48,471	45,031
Amortization of operating lease liability	(48,471)	(45,031)
Change in operating assets and liabilities:		
Contributions receivable, net	16,302	75,501
Prepaid expenses	(33,162)	19,483
Community grants payable	(250,000)	(84,125)
Due to designated agencies	15,875	14,809
Accounts payable	(13,349)	88,268
Accrued expenses	(34,786)	38,323
Net cash used in operating activities	(429,679)	(89,142)
Cash flows from investing activities		
Proceeds from term deposits	112,718	104,432
Reinvestment of interest in term deposits	(2,849)	(7,030)
Purchase of property and equipment	(11,892)	-
Purchase of investments	(1,531,680)	(2,737,742)
Proceeds from the sales of investments	2,106,279	2,633,468
Net cash provided by (used in) investing activities	672,576	(6,872)
Net increase (decrease) in cash and cash equivalents	242,897	(96,014)
Cash and equivalents, beginning of year	312,748	408,762
Cash and equivalents, end of year	$ 555,645	$ 312,748
Schedule of noncash investing and financing activities		
Right of use asset /operating lease liability modification due to lease extension	$ -	$ 11,180

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

BERKSHIRE UNITED WAY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2026

	Program Services	Supporting Services		
	Community Investment	Management and General	Fundraising	Total
Community impact initiative work and grants	$ 861,519			$ 861,519
Salaries and related expenses				
Salaries	218,587	$ 105,117	$ 218,657	542,361
Employee benefits	32,123	21,625	17,125	70,873
Payroll taxes	18,712	8,358	20,289	47,359
Total salaries and related expenses	269,422	135,100	256,071	660,593
Support costs				
Contracted services	4,221	24,182	48,098	76,501
Supplies and small equipment	222	255	2,803	3,280
Telephone	810	442	1,203	2,455
Postage	5	269	3,081	3,355
Occupancy, other than depreciation and rent	4,026	2,195	5,976	12,197
Rent	18,216	9,936	27,048	55,200
Printing and publications	1,517	936	8,947	11,400
Advertising	614	-	2,017	2,631
Conferences, meetings and special events	6,119	1,324	55,925	63,368
Conferences, training	5,141	2,898	7,561	15,600
Dues and subscriptions	2,361	279	959	3,599
National and state affiliation dues	9,150	4,991	13,587	27,728
General and liability insurance	3,256	1,776	4,835	9,867
Bank charges	1,585	556	5,983	8,124
Depreciation	2,710	1,478	3,572	7,760
Technology	20,566	6,773	40,800	68,139
In-kind expenses	12,163	-	1,335	13,498
Miscellaneous expense	1,717	500	22	2,239
Bad debt	74,289	-	-	74,289
Total support costs	168,688	58,790	233,752	461,230
Total community impact and other expenses	$ 1,299,629	$ 193,890	$ 489,823	$ 1,983,342

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

BERKSHIRE UNITED WAY, INC.

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

	Program Services	Supporting Services		
	Community Investment	Management and General	Fundraising	Total
Community impact initiative work and grants	$ 1,087,798			$ 1,087,798
Salaries and related expenses				
Salaries	350,439	$ 85,592	$ 290,924	726,955
Employee benefits	49,327	17,872	36,070	103,269
Payroll taxes	25,546	6,025	21,897	53,468
Total salaries and related expenses	425,312	109,489	348,891	883,692
Support costs				
Contracted services	4,278	31,394	21,659	57,331
Supplies and small equipment	2,458	380	2,218	5,056
Telephone	921	368	1,013	2,302
Postage	7	220	2,198	2,425
Occupancy, other than depreciation and rent	4,837	1,936	5,321	12,094
Rent	21,120	8,448	23,232	52,800
Printing and publications	1,739	1,162	10,542	13,443
Advertising	2,567	-	4,515	7,082
Conferences, meetings and special events	21,771	400	61,647	83,818
Conferences, training	1,120	3,288	1,232	5,640
Dues and subscriptions	2,704	960	1,270	4,934
National and state affiliation dues	9,031	3,613	9,935	22,579
General and liability insurance	4,304	1,722	4,734	10,760
Bank charges	2,279	774	7,109	10,162
Depreciation	3,124	1,521	3,437	8,082
Technology	22,041	9,855	38,463	70,359
In-kind expenses	-	5,105	-	5,105
Miscellaneous expense	8,352	2,814	-	11,166
Bad debt	77,185	-	-	77,185
Total support costs	189,838	73,960	198,525	462,323
Total community impact and other expenses	$ 1,702,948	$ 183,449	$ 547,416	$ 2,433,813

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

1. ORGANIZATION:

Berkshire United Way, Inc. (the "Organization") is a nonprofit organization that ignites the collective power of individuals and organizations to build a stronger community together. The Organization raises funds through workplace campaigns, corporate gifts, sponsorships, government and foundation grants and individual donations. The Organization invests these resources in support of three priority community issues: early childhood literacy, positive youth development and economic prosperity. The Organization partners with a variety of nonprofit organizations in Berkshire County and leads several initiatives to address community needs including the Commonwealth Preschool Partnership Initiative, Berkshire Early Childhood Professional Development Days, and Working Groups addressing food security, nonprofit capacity-building, and community navigation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The statements of financial position present assets and liabilities in order of their relative liquidity.

Net assets

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Organization, the accompanying financial statements are classified for accounting and reporting purposes into classes of net assets in accordance with the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions - Net assets are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors. Designated net assets consist of assets without restrictions designated by the Board for investment purposes.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations. Some donor-imposed stipulations 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 stipulations are perpetual in nature, where the donor stipulates that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for a general or specific purpose. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Realized and unrealized gains and losses on restricted purpose gifts are reported as net assets with donor restrictions in accordance with donor stipulations and Massachusetts law.

The Board has adopted a reserve policy whereby certain net assets without donor restrictions are board designated in order to establish a means to provide ongoing funding for operations and community programs related to significant operational disruptions for a period of four months. This allows time to develop alternative plans if there is an unanticipated decline in available funds. Additionally, it provides a rational basis by which to determine a target range that is not excessive.

Comparative financial information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2025, from which the summarized information was derived.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Revenue and receivables

Unconditional contributions, bequests and grants are recognized as support at the time they are pledged. Grants are presented as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted. Conditional promises to give represent gifts that depend on the Organization overcoming a donor-imposed barrier to be entitled to the funds. They are not recognized as support until the barrier is substantially met.

The Organization reports campaign contributions net of amounts that are designated by donors to a specific non-profit agency. Donor designated pledges were assessed a processing fee of 8.3% and 8.4% (which includes administrative costs) for the years ended June 30, 2026 and 2025, respectively, with a maximum fee of $200 per donor which is based on historical costs in accordance with United Way Worldwide membership standards.

Contributions receivable are typically due within one year or less and therefore are recorded without any present value discount. The Organization provides for an allowance for uncollectible contributions and grants receivable based upon historical averages and management's estimates of current economic factors. Accounts are written off against the allowance when management has exhausted all reasonable collection efforts. The allowance for uncollectible contributions receivable was $67,937 and $69,000 as of June 30, 2026 and 2025, respectively.

Investments, including endowments

Investments are recorded at fair value using methodologies discussed in Note 5. Gains and losses that result from market fluctuations are recognized in the period such fluctuations occur. Realized gains and losses resulting from sales or maturities are calculated on a specific identification basis. Investment activity is reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Investment securities are exposed to various risks, such as interest rate, market volatility, and credit risk. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the fair value of investments and related activity reported on the financial statements.

The Organization's investments include donor restricted endowment funds and funds functioning as quasi-endowment funds. Donor restricted endowments consist of gifts received with a donor stipulation that require the funds to be invested in perpetuity. Quasi-endowment funds consist of board designated and donor restricted purpose funds. Board designated funds consist of monies internally designated. Donor restricted purpose funds consist of gifts received with a donor stipulation to be used for a particular purpose, but with no requirement for the funds to be invested in perpetuity and for which a fund was established to function as an endowment.

Professional accounting standards provide guidance on the net asset classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Massachusetts Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") which serves as a model act for states to modernize their laws governing donor restricted endowment funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Investments, including endowments (continued)
For the Organization's permanent endowment funds, the Board of Directors (the "Board") has interpreted UPMIFA, as adopted by the Commonwealth of Massachusetts, as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions in perpetuity, the original value of bequests donated to the permanent endowment.

The remaining portion of the donor restricted endowment fund is also classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: the duration and preservation of the funds, the purpose of the Organization and the donor restricted endowment funds, general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation of investments, other resources of the Organization, and the investment policies of the Organization.

The Organization's general endowment spending policy is calculated as up to 4.5% of its endowment fund's average fair value as of June 30th of the preceding three years in which the distribution was planned for. In fiscal years 2026 and 2025, this amounted to $17,000 and $16,904, respectively, which was used by the Organization. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to grow annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return. Although not required by state law, the same spending policy is followed for investment funds without restrictions.

Outside of the general endowment spending policy, the Organization's spending policy specific to the SABIC endowment is calculated as up to ten percent of the corpus of the fund plus earnings annually. In fiscal years 2026 and 2025, this amounted to $89,835 and $99,519, respectively. Additionally, the Venture fund is purpose restricted and can be drawn down in any amount as approved by the board for qualifying expenses. In fiscal years 2026 and 2025, this amounted to $34,500 and $50,000, respectively.

Leases – ASC 842
The Organization determines if an arrangement is a lease at inception. The Organization has lease agreements with lease and non-lease components, which are accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices. The Organization's operating leases generally do not provide an implicit rate, therefore, the Organization made an accounting policy election to use a risk-free rate in determining the present value of future payments for its operating leases.

The Organization made an accounting policy election to account for short-term leases by recognizing the lease payments in the statement of activities on a straight-line basis over the term of the agreement.

The operating lease right of use ("ROU") asset is adjusted for any lease payments made and excludes lease incentives and initial direct costs incurred. The Organization's lease terms may include options to extend or terminate the lease at certain dates, typically at the Organization's own discretion. The Organization regularly evaluates the renewal options and when they are reasonably certain of exercise, the Organization includes the renewal period in its lease term.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Property and equipment, net
Property and equipment are carried at cost less accumulated depreciation. The Organization capitalizes expenditures for equipment in excess of $2,500. The fair value of donated equipment is similarly capitalized. Depreciation is calculated based on the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives of office improvements is ten years and the lives of furniture and equipment ranges from three to ten years.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to operations for the period. The cost of maintenance and repairs is charged to operations as incurred; significant renewals and betterments are capitalized. The Organization evaluated the carrying value of its property and equipment and no impairment was recorded.

Depreciation expense was $7,760 and $8,082 for the years ended June 30, 2026 and 2025, respectively.

Community grants payable
Community impact grants are awarded to agencies for specific programs for one or two years and are contingent on satisfactory program performance, contract compliance, and available dollars. The grants are recommended by staff, community volunteers and are approved by the Board of Directors. These expenses are recorded prior to the fiscal year end and monthly distributions will be made in the subsequent fiscal year.

Due to designated agencies
Contributions that are designated to a specific third-party beneficiary are recorded as a liability at the time the contribution is received. These pledges are paid to designated agencies, as received, with payments issued at least twice per year. The Organization received donor designations to outside parties of $61,213 and $65,732 for the years ended June 30, 2026 and 2025, respectively. This resulted in net designations on the statements of activities of $61,213 and $65,732, for the years ended June 30, 2026 and 2025, respectively.

In-kind contributions and contributed services
In-kind contributions are reflected as contributions at their fair value at date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. The Organization benefited from donated supplies and clothing, special event related items, and staff labor valued in the amounts of $13,498 and $5,105 during the years ended June 30, 2026 and 2025, respectively.

In-kind contributions consist of the following at June 30:

	2026	2025
Gift cards	$ 326	$ 250
Professional services	-	3,075
Advertising/sponsorships	1,904	1,708
Clothing	11,250	-
Other	18	72
Total financial assets available for general expenditure	$ 13,498	$ 5,105

The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization. Approximately 1,600 and 3,400 volunteer hours were contributed, including approximately 1,100 and 900 hours by volunteers from local companies participating in the Organization's annual campaign during the years ended June 30, 2026 and 2025, respectively. The value of the volunteer hours has not been recorded in the statement of activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Functional allocation of expenses
The cost of providing the various programs and activities has been summarized on a functional basis in the statement of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain building costs have been allocated among the programs and supporting services benefited. This allocation is based on the full time equivalent of employees in each respective department. The remaining expenses are direct or allocated based on time spent in each function.

Advertising
The Organization charges advertising costs to expense as incurred which amounted to $2,631 and $7,082 for the years ended June 30, 2026 and 2025, respectively.

Tax-exempt status
The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for federal or state income taxes has been made.

Uncertain tax positions
Management has evaluated significant tax positions against the criteria established by professional standards and believes there are no such tax positions requiring accounting recognition. The Organization's tax returns are subject to examination by taxing authorities for all years ending on or after June 30, 2023.

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

Cash equivalents
Cash equivalents are comprised of highly liquid investments with initial maturities of three months or less at the time of purchase.

Term deposits
Term deposits consisted of certificates of deposit with original maturity dates greater than 90 days. There were no term deposits as of June 30, 2026. As of June 30, 2025, the balance represented one certificate of deposit with an interest rate of 3.75% which matured in March 2026.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

Financial assets:	2026	2025
Cash and equivalents	$ 555,645	$ 312,748
Term deposit	-	109,869
Contributions receivable, net	355,235	445,826
Annual spending policy distribution (estimate)	17,800	19,800
Total financial assets available for general expenditure	$ 928,680	$ 888,243

The Organization manages its liquidity by developing and adopting annual operating budgets that are designed to provide sufficient funds for general expenditures and allow the Organization to satisfy its liabilities and other obligations as they become due. The Organization maintains financial assets on hand to meet approximately four months of normal operating expenses. The Organization has Board Designated endowments available for use throughout the fiscal year (approximately $2,793,000 and $2,992,000 at June 30, 2026 and 2025, respectively). The spending policy is detailed in Note 2. The Organization also has a line of credit in the amount of $300,000, which it could draw upon in the event of an unanticipated liquidity need. The available balance on the line was $300,000 at June 30, 2026 and 2025.

4. INVESTMENTS:

The Board of Directors of the Organization, as the governing Board, is responsible for oversight of the Organization's investments. Establishment and implementation of investment policy, including the establishment of investment guidelines and the selection of investment managers, is the Board of Directors' responsibility. Investments authorized include marketable equity and debt securities and other types of investments that may be made with the prior approval of the Board of Directors.

The primary investment objective of the investment portfolio is growth of principal sufficient to preserve purchasing power and to provide income to support current and future activities of the Organization. Long term, the total return on the portfolio should equal the rate of inflation, plus the payout rate which is used to support current activities, plus an amount reinvested to support future activities.

4. INVESTMENTS: (CONTINUED)

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires to be retained for perpetual funds. The historic gift value of donor restricted endowment funds cannot be reduced for any excess losses. Any excess losses shall reduce net assets with donor restrictions. As of June 30, 2026 and 2025, there were no cumulative losses on the investments of donor restricted endowment funds.

Investments at June 30, 2026 consist of:

	Cost	Fair Value	Unrealized Gain
Cash and cash equivalents	$ 273,811	$ 273,811	$ -
Corporate bonds	396,979	402,986	6,007
Government bonds	451,843	463,196	11,353
Common stocks	480,866	943,575	462,709
Mutual funds	187,060	207,600	20,540
Closely held	1,223	3,316	2,093
Exchange traded products	1,348,224	1,914,931	566,707
Total investments	$ 3,140,006	$ 4,209,415	$ 1,069,409

Investments at June 30, 2025 consist of:

	Cost	Fair Value	Unrealized Gain
Cash and cash equivalents	$ 470,509	$ 470,509	$ -
Corporate bonds	489,437	495,351	5,914
Government bonds	545,777	553,452	7,675
Common stocks	693,409	1,185,751	492,342
Mutual funds	224,735	227,666	2,931
Exchange traded products	1,081,547	1,467,766	386,219
Total investments	$ 3,505,414	$ 4,400,495	$ 895,081

The Organization's bonds were rated as follows as of June 30, 2026 and 2025:

	2026	2025
AAA	$ -	$ 24,958
AA+	16,399	33,059
AA	619,391	447,832
A+	10,004	20,110
A	53,910	124,549
A-	31,524	42,046
BBB+	20,839	20,902
BBB	20,480	20,590
Not rated	265,557	314,757
Total	$ 1,038,104	$ 1,048,803

4. INVESTMENTS: (CONTINUED)

The following schedule summarizes the investment return in the statements of activities for the years ended June 30, 2026 and 2025:

	2026	2025
Interest and dividends	$ 117,401	$ 117,463
Money market interest	8,332	10,188
Less: fees and other costs	(32,666)	(31,904)
Net unrealized gains (losses)	174,328	(6,667)
Net realized gains	209,191	262,988
Total	$ 476,586	$ 352,068

5. FAIR VALUE MEASUREMENTS:

The Organization follows established guidelines for a fair value hierarchy that prioritizes the inputs used to measure fair value. An asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. This hierarchy prioritizes the inputs into three broad levels as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities. Market price is generally obtained from exchange or dealer markets.

Level 2 Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Inputs are obtained from various sources including market participants, dealers and brokers.

Level 3 Unobservable inputs that are supported by little or no market activity as they trade infrequently or not at all and that are significant to the fair value of the assets or liabilities.

Investments are reported at fair value based on quoted market prices, where available, and/or other market data for the same or comparable instruments and transactions in establishing the prices. Fixed income funds are valued at the closing price reported in the active market in which the bond is traded. All of the Organization's investments qualify as Level 1 (see Note 4).

6. ENDOWMENTS:

Endowment by net asset class and type at June 30, 2026 and 2025 consists of:

	Net Assets with Donor Restrictions		
	Time or Purpose Restricted	Restricted in Perpetuity	Total
June 30, 2026			
Donor restricted endowment funds	$ 1,107,497	$ 308,803	$ 1,416,300
June 30, 2025			
Donor restricted endowment funds	$ 1,099,718	$ 308,803	$ 1,408,521

6. ENDOWMENTS: (CONTINUED)

The following schedule reconciles the change in endowments by net asset class for the years ended June 30, 2026 and 2025:

	Net Assets with Donor Restrictions		
	Time or Purpose Restricted	Restricted in Perpetuity	Total
Endowment investments - June 30, 2024	$ 1,075,697	$ 308,803	$ 1,384,500
Contribution - Boraski	50,000	-	50,000
Realized and unrealized gains	99,657	-	99,657
Interest and dividends, net	40,787	-	40,787
Distributions (SABIC)	(99,519)	-	(99,519)
Distributions (Venture)	(50,000)	-	(50,000)
Spending policy distribution	(16,904)	-	(16,904)
Endowment investments - June 30, 2025	1,099,718	308,803	1,408,521
Realized and unrealized gains	114,897	-	114,897
Interest and dividends, net	34,217	-	34,217
Distributions (SABIC)	(89,835)	-	(89,835)
Distributions (Venture)	(34,500)	-	(34,500)
Spending policy distribution	(17,000)	-	(17,000)
Endowment investments - June 30, 2026	$ 1,107,497	$ 308,803	$ 1,416,300

7. PROPERTY AND EQUIPMENT:

The Organization's property and equipment consists of the following as of June 30:

	2026	2025
Office improvements	$ 64,878	$ 64,878
Furniture and equipment	81,016	274,278
	145,894	339,156
Less: accumulated depreciation	(129,288)	(326,682)
Property and equipment, net	$ 16,606	$ 12,474

As of June 30, 2026, management disposed of fully depreciated assets with the approximate cost of $205,000 resulting in no impact on the statement of activities for the year ended June 30, 2026.

8. LINE OF CREDIT:

The Organization has a line of credit agreement with a local bank. The maximum amount available on the line of credit is $300,000 which is due on demand and is secured by the unrestricted investment accounts. The interest rate is the New York Prime Rate as published in the Wall Street Journal (6.75% and 7.50% at June 30, 2026 and 2025, respectively) with an interest rate floor of 2%. There was no outstanding balance against the line of credit at June 30, 2026 and 2025.

9. OPERATING LEASE:

The Organization has an operating lease for their office space under a non-cancelable operating lease. The Organization's lease commenced July 1, 2020 and is for an initial term of 5 years (through June 30, 2025). The Organization exercised the 5 year renewal option included as part of the original lease agreement, extending the lease through June 2030. The lease provided for monthly installments of $4,400 through June 30, 2025 and increased to $4,600 through June 30, 2030.

The following summarizes the amount, timing, and uncertainty of cash flows arising from this lease as of June 30:

Lease expense	**2026**	**2025**
Operating lease expense included in rent on the statement of functional expenses	$ 55,200	$ 52,800

Other information		
Cash paid for amounts included in the measurement of the lease liability	**2026**	**2025**
Operating cash flows from the operating lease	$ 55,200	$ 52,800
ROU asset/operating lease liability modification due to lease extension	-	11,180
Weighted-average remaining lease term in years for the operating lease	4.00	5.00
Weighted-average discount rate for the operating lease – risk free rate	2.92%	2.92%

The maturities of lease liability for the years ending June 30, are as follows:

Maturity analysis:	Operating
2027	55,200
2028	55,200
2029	55,200
2030	55,200
Total undiscounted cash flows	220,800
Less: present value discount	(12,139)
Total lease liabilities	$ 208,661

Current and long-term lease liability as of June 30, 2026 are as follows:

Operating lease liability, current portion	$ 49,906
Operating lease liability, non-current	158,755
Total lease liabilities	$ 208,661

10. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with time/purpose donor restrictions are summarized as follows at June 30:

	2026	2025
SABIC endowment	$ 599,658	$ 626,211
Venture fund	280,211	285,041
Accumulated earnings on endowments restricted in perpetuity	227,628	188,466
United Response fund	5,269	-
	$ 1,112,766	$ 1,099,718

Net assets with donor restrictions in perpetuity are summarized as follows at June 30:

	2026	2025
Ruth P. Boraski – Children's programs	$ 211,378	$ 211,378
General endowment	35,000	35,000
GE Good Neighbor – Community programs	62,425	62,425
	308,803	308,803
Total donor restricted net assets	$ 1,421,569	$ 1,408,521

The net assets with donor restrictions released from restrictions in 2026 related to the following:

SABIC endowment	- (up to 10% corpus)	$ 72,000
	- (earnings)	17,835
		$ 89,835
Venture Fund draw		$ 34,500
Spending policy distributions on other endowments		$ 17,000
United Response fund		$ 51,630

11. RETIREMENT PLAN:

The Organization maintains a 403(b) Plan (the "Plan") for eligible employees. Employees are able to make salary reduction contributions upon hire. Employees are eligible for matching and base contributions from the Organization upon reaching age twenty-one and achieving one year of service (1,000 hours of service). The Organization's contributions recorded as an expense to the Plan were $7,664 (total contributions of $24,872, less forfeitures of $17,208) and $37,034 for the years ended June 30, 2026 and 2025, respectively and are included in employee benefits on the statements of function expenses.

12. RELATED PARTY TRANSACTIONS:

The Organization recorded grants to various agencies who had affiliations with members of the board of directors and Berkshire United Way staff, totaling approximately $446,000 and $434,000 for the years ended June 30, 2026 and 2025, respectively. Board members who are affiliated with an organization applying for or receiving grant funding abstain from voting on any grant-related decisions involving that organization.

13. CONTINGENCIES:

Disallowed claims
Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds requiring repayment to the funding source. As of the date of these financial statements, the Organization has not been informed of any disallowed expenditures.

14. CONCENTRATIONS OF CREDIT RISK:

Cash balances
The Organization maintains its cash balance in local financial institutions. These balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. At various times during the period, the cash balances may exceed the insured amounts. The Organization has not experienced any losses on these accounts and management monitors any credit risk that may exist with respect to these cash balances.

Contributions
Campaign contributions from one foundation accounted for 13% and 14% of total campaign contributions for the years ended June 30, 2026 and 2025, respectively.

Contributions receivable
Contributions receivable from three companies accounted for 50% of total contributions receivable as of June 30, 2026. Contributions receivable from four companies accounted for 53% of total contributions receivable as of June 30, 2025.

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through October 23, 2026, the date of which the financial statements were available to be issued.