

UNITED ENGINEERING FOUNDATION, INC



2024 ANNUAL REPORT

Founder Societies

American Institute of Mining, Metallurgical and Petroleum Engineers (AIME)

American Institute of Chemical Engineers (AIChE)

American Society of Civil Engineers (ASCE)

American Society of Mechanical Engineers (ASME)

Institute of Electrical and Electronics Engineers (IEEE)



UNITED ENGINEERING TRUSTEES

ANNUAL REPORT – 2024

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ANNUAL REPORT - 2024

In 2024 the investments and the stock market had a very good year. The United Engineering Foundation (UEF) was positively impacted by this condition resulting in financial gains in our portfolio. We also had another banner year for our Grant program that supports significant programs with more than \$700,000 in funding.

The Board of Trustees met virtually on February 22, May 16 and July 25 along with a face-to-face annual Board of Trustees meeting hosted by ASME on September 25th in New York City.

The UEF continues the tradition as a significant leader in the engineering community. These efforts have focused on serving the profession especially through encouraging cross disciplinary collaborations. These efforts are consistent with the UEF vision – “To advance the engineering arts and sciences for the welfare of humanity.”

To fund our activities, the UEF manages our endowment that closed 2024 with a fund balance of \$21,036,659. This was a significant increase from the fund balance of \$19,495,114, at the close as of December 31, 2023. This meaningful increase was due to a strong economy throughout much of 2024. Grants were awarded to continue to demonstrate the UEF’s commitment to its vision and supporting our mission – ‘To support engineering and education by, among other means, making grants.’

The 2024 grants were focused on achieving UEF’s Board of Trustees’ priority areas:

- Diversity
- Emerging Technologies
- Engineering Ethics, Safety, Security and Leadership
- Kindergarten – 12th Grade Education

UEF managed the 8 Grantees for the 2024 Grant cycle, approved \$740,300, and paid out \$705,371 to Grantees. Unfortunately, the Grantees did not use \$34,929 in awarded funds that will remain in the UEF portfolio.

A summary of the Grantees, the funds approved, and the payouts is provided in Attachment A.

In mid-2024 the UEF's Grant Committee commenced the process for the 2025 Grant cycle. The Committee reviewed 47 concept papers totaling nearly \$4,596,136 and invited 13 candidates to submit full proposals for a total of \$1,413,350. The Committee recommended 8 proposals for funding in priority order for Board approval. The Board of Trustees approved the funding of the 8 proposals totaling \$903,000 shown in Attachment B.

UEF and its Trustees continue to provide leadership for the profession and fiscal responsibility to deliver on the UEF mission "to support engineering and education by, among other means, making grants."

Deborah Grubbe
President

Patrick J. Natale, P.E., Dist.M.ASCE, NAC
Executive Director



UEF OFFICERS, TRUSTEES,

STAFF AND ADVISORS

BOARD OF TRUSTEES 2024

President and Trustee: Deborah Grubbe
Vice President and Trustee: Deborah Grubbe
Treasurer and Trustee: Thomas W. Smith
Secretary: Patrick J. Natale
Trustee: Ronald Ashburn
Trustee: Roland Moreau
Trustee: David Soukup

Trustee: Robert D. Stevens
Trustee: Thomas W. Smith
Trustee: Sophia Muirhead
Trustee: James Jefferies
Trustee: Darlene Schuster

BOARD OF TRUSTEES 2025*

President and Trustee: Deborah Grubbe
Vice President and Trustee: Roland Moreau
Treasurer and Trustee: Thomas W. Smith
Secretary: Patrick J. Natale
Trustee: Ronald Ashburn
Trustee: J. Robert Sims;
Trustee: David Soukup

Trustee: Robert D. Stevens
Trustee: Thomas W. Smith
Trustee: Sophia Muirhead
Trustee: James Jefferies
Trustee: Victor Bohnert

SUPPORT 2023

Executive Director: Patrick J. Natale
Assistant to the Ex. Dir.: Karen Grappone

GLENMEDE – Administrative Support 2023

Eli Mudrick
Jamie DeAngelis

GLENMEDE – Investment Support 2023

Adam Conish

ADVISORS 2023

Auditors: Adeptus Partners LLC
Investment Advisor: Glenmede Trust
Legal Counsel: Jennifer V. Abelaj Law Firm

SUPPORT 2024

Executive Director: Patrick J. Natale
Assistant to the Ex. Dir.: Karen Grappone

GLENMEDE – Administrative Support 2024

Eli Mudrick
Jamie DeAngelis
Elizabeth O'Connell

GLENMEDE – Investment Support 2024

Adam Conish

ADVISORS 2024

Auditors: Adeptus Partners LLC
Investment Advisor: Glenmede Trust
Legal Counsel: Jennifer V. Abelaj Law Firm

*Effective October 2024

Accepted Grants 2024

Attachment A

Submission ID	Approved Amount	Contact	Organization	Invoice Amount	Date
UEF24-017 STEM Pathways for indigenous Youth:Going Further	\$ 119,000.00	Jeannine Finton, Senior Manager jfinton@same.org	Society of American Military Engineers	\$ 117,590.46	12/6/2024
UEF24-022 - Chats with Change Makers: Welcoming Everyone to Engineering	\$ 135,500.00	Thea Sahr, Deputy Executive Director Thea@DiscoverE.org	National Engineers Week Foundation (DBA:DiscoverE)	\$ 135,500.00	11/26/2024
UEF24-034 - J.E.D.I. Best Practices in the Engineering Workforce Summit	\$ 65,000.00	Lisa. M. Black, Ph.D Director, Cultural Belonging & Social Ethos	American Society of Civil Engineers	\$ 59,922.72	12/11/2024
UEF24-043 - Implementation of Educational Framework for a Successful Career in Engineering Roadmap – Phase II	\$ 50,000.00	Leslie Nolen, Director lnolen@asce.org	American Society of Civil Engineers	\$ 40,239.00	11/21/2024
UEF24-044- Increasing Engagement for the FOSSI Initiative	\$ 52,500.00	Michelle Bryner, Sr Director michelleb@aiche.org	AIChE	\$ 36,593.41	12/4/2024
UEF24-045 - AI-Professional Society Leadership in Addressing Opportunities and Responsibilities	\$ 29,500.00	Amit Gupta, CIO amitg@aiche.org	AIChE	\$ 26,725.00	11/27/2024
UEF24-055 - GBH Wombats Season 2	\$ 150,000.00	Marisa Wolsky, Exec Producer & Director, marisa_wolsky@wgbh.org	WGBH Educational Foundation (GBH)	\$ 150,000.00	11/29/2024
UEF24-056 - Equipando Padres – Apoya el éxito de tu estudiante (Equipping Parents – Support your student's success)	\$ 138,800.00	Kimberly Douglas, PhD kimberlyd@shpe.org	Society of Hispanic Engineers	\$ 138,800.00	11/22/2024

TOTAL FUNDING

\$ 740,300.00

\$ 705,370.59

Unspent funds \$ 34,929.41

Attachment B

Submission ID	Request Amount	Total Project Cost	Contact	Organization
UEF25-044 - STEM Pathways for Indigenous Youth: Going Further Together	\$ 120,000.00	\$ 140,000.00	Jeannine Finton jfinton@same.org	SAME
UEF25-023 - Cities of the Future IMAX Film: Expanding Access	\$ 150,000.00	\$ 5,000,000.00	Claudia Galdamez, Director cgaldamez@asce.org	ASCE
UEF25-014 - Engineering Navigator: AI-Enhanced Engineering Opportunities Search Bot	\$ 150,000.00	\$ 250,000.00	Thea Sahr, Deputy Executive Director DiscoverE Thea@DiscoverE.org katey@edukatey.com kathy@discovere.org	DiscoverE
UEF25-046 - "Calling All Big Thinkers" Public Awareness Campaign	\$ 150,000.00	\$ 450,000.00	Eileen Erickson lerickson2nae.edu	National Academy of Engineering
UEF25-010 - Strengthening the Technical Workforce Pipeline at Community Colleges	\$ 90,000.00	\$ 90,000.00	Stephanie Viola, ASME violas@asme.org sent by Rebecca Lakhani LakhaniR@asme.org	ASME
UEF25-022 - North American Representation at WFEO: Unifying the US	\$ 50,000.00	\$ 65,000.00	Brian Parsons bparason@asce.org from Lindsay O'Leary LoLeary@asce.org	ASCE - amount reduced from \$65000
UEF25-039 - Improving and Advancing Manufacturing Safety using Emerging Technology (IAM Safety Tech)	\$ 98,000.00	\$ 98,350.00	Gabriel Levesque-Tremblay gabri.ctr@aiche.org	AIChE - amount reduced from \$98350
UEF25-040 - Building the STEM PEER Network of Engineering Education Change Agents	\$ 95,000.00	\$ 225,000.00	Claire Duggan c.duggan@northeastern.edu sent by e.blume@northeastern.edu	NSF, Engineering Plus Alliance & Northeastern University
TOTAL	\$ 903,000.00	\$ 6,318,350.00		

Attachment C

Submission ID	Organization	Title	Summary
UEF 24-017	SAME	STEM Pathways for Indigenous Youth: Going Further	Funds were used for new and continued support of local STEM programs to benefit indigenous youth and to host a workshop, Building Bridges: Partnering with Indigenous Communities, for engineers and engineering societies to learn how to interact with indigenous communities through cultural awareness and best practices. Because each community is unique, and needs vary, resources were provided to either assist existing efforts or to create new ones (i.e., camps, transportation to universities, and equipment purchases).
UEF 24-022	DiscoverE	Chats with Change Makers: Welcoming Everyone to Engineering	Expanded their STEM career program "Chats with Change Makers" and created a new suite of challenge videos to engage students in hands-on engineering activities. Nine 30-minute episodes of engineering profiles were produced to strengthen career connections, and seven challenge videos were produced to explore the engineering design process.
UEF 24-034	American Society of Civil Engineers	Justice, Equity, Diversity & Inclusion Engineering Workforce Summit	The in-person summit was designed to educate, inform, and guide future engineers, professionals, and employers on best practices in creating and sustaining diversely innovative and inclusive environments. The summit presentations and panel discussions were video-recorded to reach as broad an audience as possible.
UEF 24-043	American Society of Civil Engineers	Shaping the Future of Engineering Education Phase II -- Development of an Educational Framework for a Successful Career in Engineering	Leaders from engineering professional societies and other engineering education stakeholders joined the project to discuss how engineering education can be transformed to meet the needs of the future and developed six priorities. Defined the top engineering occupations and associated skills that employers are currently seeking so the information can be shared with students to help them better understand a career in engineering and discern their best path for success.

UEF 24-044	American Institute of Chemical Engineers	Increasing Engagement for the Future of STEM Scholars Initiative (FOSSI)	FOSSI initiative addresses critical diversity gaps within the engineering workforce by supporting underrepresented minority (URM) students pursuing STEM careers, and provides \$40,000 scholarships (\$10,000 per year), leadership development, mentoring and internship opportunities with program sponsors, and access to student networking events. The initiative extended its outreach, developed and distributed a FOSSI Multimedia Toolkit, enhanced HBCU Week College Fair Presence, and identified and collaborated with New Coalition Members.
UEF 24-045	American Institute of Chemical Engineers	AI-Professional Society Leadership in Addressing Opportunities and Responsibilities	Developed a scan of the AI landscape in nonprofit associations, with emphasis on those in the STEM fields, to explore, examine, and evaluate the possibilities and potential impacts of Generative AI as a strategic imperative for associations to sustain relevance and grow their organizational impact. Eight potential collaborative opportunities were identified and evaluated by the Leadership Committee. The opportunities were prioritized and the top five are being presented.
UEF 24-056	Society of Hispanic Engineers	Equipando Padres (Equipping Parents) -- Support Your Student's Success	Developed the "Equipando Padres" (Equipping Parents) program to provide parents of first-generation engineering students with knowledge and tools to support their children's success in earning engineering degrees. The program aims to expand networking opportunities for parents to connect with educators, volunteers, and industry professionals. Ultimately, the engineering workforce will become diversified and encourage more Hispanic students to pursue STEM careers.
UEF024-055		Work it out Wombats	Season II brings a deeper focus to engineering and systems while introducing foundational computational thinking (CT) to young viewers and their families. Wombats! curriculum was expanded to include the Learning Goal of "Systems," and maker space, the Creation Station, was enhanced to include materials for 3D printing, drilling, and sawing, and embodies a busy, collaborative environment for all generations. "Work It Out @ Your Library," launched to help librarians and caregivers in rural communities support children's CT and engineering learning with a Wombats! mobile app and other resources.



Attachment D

UNITED ENGINEERING FOUNDATION, INC.

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

December 31, 2024

UNITED ENGINEERING FOUNDATION, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
United Engineering Foundation, Inc.
New York, New York

Opinion

We have audited the accompanying financial statements of United Engineering Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Engineering Foundation, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion



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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Engineering Foundation, Inc.'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 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 United Engineering Foundation, 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 United Engineering Foundation, 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.

Adeptus Partners, LLC

Adeptus Partners, LLC

Ocean, New Jersey
May 30, 2025

ASSETS	2024	2023
Cash and cash equivalents	\$ 11,552	\$ 10,609
Investments, at fair value	21,020,279	19,477,708
Prepaid expenses and other assets	<u>4,827</u>	<u>6,796</u>
TOTAL ASSETS		
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	<u>\$ 25,717</u>	<u>\$ 24,923</u>
TOTAL LIABILITIES	<u>25,717</u>	<u>24,923</u>
NET ASSETS - without donor restrictions	18,066,541	16,525,790
NET ASSETS - with donor restrictions	2,944,400	<u>2,944,400</u>
	<u>\$ 21,036,658</u>	<u>\$ 19,495,113</u>
TOTAL NET ASSETS	<u>21,010,941</u>	<u>19,470,190</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 21,036,658</u>	<u>\$ 19,495,113</u>

The accompanying notes are an integral part of these financial statements. 3

UNITED ENGINEERING FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2024 and 2023

\$	502,623	\$	481,092
	128,605		(40,319)
	1,835,613		2,375,110
	-		-
	<u>2,466,841</u>		<u>2,815,883</u>
	705,371		735,199
	53,882		48,200
	133,418		128,153
	1,254		1,742
	6,140		6,095
	6,433		2,121
	14,625		14,765
	1,589		-
	1,567		1,261
	508		959
	-		1,650
	1,303		-
	<u>926,090</u>		<u>940,145</u>
	1,540,751		1,875,738
	<u>19,470,190</u>		<u>17,594,452</u>
\$	<u>21,010,941</u>	\$	<u>19,470,190</u>

	Net Assets	Net Assets		
	Without Donor	With Donor		2023
	Restrictions	<u>Restrictions</u>	Total	Total
Revenue and Support--				
Investment income	\$ 502,623	\$ -		
Realized gains (losses)	128,605	-		

Unrealized gains		1,835,613	-	
Net assets released from restrictions		-	-	
Total Revenue and Support		<u>2,466,841</u>	<u>-</u>	
Expenses-Program expenses				
Grants for Engineering	705,371	Investment management fees	53,882	
Outside services	133,418	-		
Website		1,254	-	
Insurance	6,140	Excise tax	6,433	-
Legal and audit fees	14,625	Meetings	1,589	-
Rent		1,567	-	
Office expenses	508	Travel	-	-
Other expenses		<u>1,303</u>	<u>-</u>	
Total Expenses		<u>926,090</u>	<u>-</u>	
Changes in Net Assets	1,540,751	Net Assets - Beginning of Year	<u>16,525,790</u>	
				<u>2,944,400</u>
Net Assets - End of Year		<u>\$ 18,066,541</u>	<u>\$ 2,944,400</u>	

The accompanying notes are an integral part of these financial statements. 4

UNITED ENGINEERING FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023

Cash flows from operating activities:

Changes in net assets	\$ 1,540,751	\$ 1,875,738
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Realized (gains) losses on investments	(128,605)	40,319

Unrealized gains on investments Net change in operating assets and liabilities:	(1,835,613)	(2,375,110)	
Prepaid expenses and other assets	1,969	979	
Accounts payable and accrued expenses	<u>794</u>	1,091	
Net cash used in operating activities	<u>(420,704)</u>	(456,983)	
Cash flows from investing activities:			
Proceeds from sales of investments	734,849	1,404,816	
Purchases of investments	<u>(313,202)</u>	(945,504)	
Net cash provided by investing activities	<u>421,647</u>	459,312	<u> </u>
Net increase in cash and cash equivalents	943	2,329	
Cash and Cash Equivalents - beginning of year	<u>10,609</u>	8,280	<u> </u>
	2024	2023	<u> </u>
	<u> </u>	<u> </u>	
Cash and Cash Equivalents - end of year	<u>\$ 11,552</u>	<u>\$ 10,609</u>	

The accompanying notes are an integral part of these financial statements. 5

**UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Note 1 – Organization and Significant Accounting Policies

a) Organization

United Engineering Foundation, Inc. (UEF) is a non-profit corporation which is involved in the advancement of the engineering arts and sciences in all branches by making grants.

b) Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with generally accepted accounting principles accepted in the United States of America.

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

Net Assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Net Assets- Endowment Funds

The Organization endowments consist of 26 funds held with an institutional investment company. All the endowment funds are donor restricted. The Organization is subject to the New York State Prudent Management of Institutional Funds Act (NYSPMIFA) and, thus classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions. The Board of Trustees of the Organization has interpreted NYSPMIFA as requiring the maintenance of the original gift in perpetuity that was contributed to the endowment fund unless a donor stipulates to the contrary. All investment income from the restricted endowment funds are unrestricted in the accompanying Statements of Activities. At December 31, 2024 and 2023 the balance in Net assets with donor restrictions is \$2,944,400.

The Organization has interpreted NYSPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. The Organization includes all endowments in two investment accounts.

c) Cash and Cash Equivalents

The Organization considers all unrestricted cash and other highly liquid investments with an initial maturity of three months or less to be cash equivalents.

d) Restricted Cash

The Organization considers any restricted funding, in the possession of the Organization and prior to being spent, restricted cash and the amount is segregated from the Organization's operating cash. The Organization had no restricted cash as of December 31, 2024 and 2023.

**UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

e) Income Tax Status

The United Engineering Foundation, Inc. qualifies as a tax-exempt private foundation under Section 501 (c) (3) of the Internal Revenue Code and therefore, is subject to an excise tax of 1.39% on net taxable investment income of the foundation.

The Organization's Forms 990PF *Return of Private Foundation*, for the years ending 2022, 2023 and 2024 are subject to examination by the IRS, generally for three years after they were filed.

f) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

g) Investments

Investments in marketable securities with readily determinable fair values and debt securities are reported at their fair values while investments in hedged funds and other alternative investments have been valued at net asset values (NAV) determined by Glenmede Trust in the statement of financial position. Unrealized gains (losses) along with investment income and realized gains (losses) are reported in unrestricted net assets. Gains and losses are recorded on a trade date basis.

h) Risks and Uncertainties

The Organization invests in a variety of investment options. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such change could materially affect the amounts reported in the statement of financial position.

i) Functional Expenses

The costs of providing engineering arts and science grants have been summarized on a functional basis in the statements of activities.

j) Current Expected Credit Losses

In accordance with Accounting Standards Update (ASU) 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, the Organization is required to measure and recognize expected credit losses for certain financial assets, including trade receivables, contract assets, and other financial instruments. As of December 31, 2024, the Organization does not hold any receivables, contract assets, or other financial instruments within the scope of ASU 2016-13. Accordingly, there is no allowance for credit losses recorded in the accompanying financial statements, and the adoption of this standard did not have an impact on the Organization's financial position, changes in net assets, or cash flows.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 2 – Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk include marketable debt securities. The Organization places its temporary cash investments with credit-worthy, high quality financial institutions.

Note 3 – Cash

The Organization maintains two cash accounts at a bank located in the Philadelphia area. The balance is insured by the Federal Deposit Insurance Corporation up to allowed limits per depositor. There were no uninsured balances for the years ended December 31, 2024 and 2023, respectively.

Note 4 – Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the December 31, 2024 and 2023 balance sheet dates, reduced by amounts not available for general use because of donor restricted endowment gifts maintained in perpetuity.

	<u>2024</u>	<u>2023</u>
Financial assets, at year end		
Cash and cash equivalents	\$ 11,552	\$ 10,609
Investments, at fair value	21,020,279	19,477,708
	<u>21,031,831</u>	<u>19,488,317</u>
 Donor restricted to maintain endowments	 (2,944,400)	 (2,944,400)
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 18,087,431</u>	 <u>\$ 16,543,917</u>

Note 5 – Fair Value Measurement

The Organization's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurements authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active market for identical assets and have the highest priority, Level 2 inputs consist of

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority.

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or 2 inputs were not available.

Level 1 Fair Value Measurements

Quoted prices in active market that is accessible at the measurement date for identical investments, unrestricted assets or liabilities.

Marketable securities and U.S. Government securities are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the net asset value (NAV) of shares held by the Organization at year end.

Level 2 Fair Value Measurements

Quoted prices in active markets that are accessible at the measurement date of similar investments, quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly.

Level 3 Fair Value Measurements

Significant unobservable inputs, including the Plan's own assumptions, are used in determining the fair value. Hedged funds, Liberty Special Strategies TE Fund LLC, Glenmede Private Investment Fund VIII and the Glenmede Client Opportunities PFIC Pool, which are not readily marketable are valued at fair value as deemed appropriate by the Glenmede Trust. The shares reported by the Organization are proportionate to their capital contribution and are considered to be stated at fair value.

For those assets with fair value measured using Level 3 inputs, the Organization's investment manager determines the fair value measurement policies and procedures in consultation with the Organization's executive director. These policies and procedures are reassessed at least annually to determine if current valuation techniques are still appropriate.

At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

December 31, 2024

	Fair Value	Quoted Prices In Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Fund	\$ 236,163	\$ 236,163	\$ -	\$ -
Mutual Funds				
Fixed Income	4,756,348	4,756,348	-	-
Large Cap	10,053,498	10,053,498	-	-
Small/Mid Cap	1,688,876	1,688,876	-	-
International	4,005,625	4,005,625	-	-
Equity Funds	29,021	29,021	-	-
Emerging Markets	11,121	11,121	-	-
Alternative Assets				
Private Equity	223,199	-	-	223,199
Absolute Return	16,428	-	-	16,428
Total	\$ 21,020,279	\$ 20,780,652	\$ -	\$ 239,627

December 31, 2023

	Fair Value	Quoted Prices In Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Fund	\$ 772,267	\$ 772,267	\$ -	\$ -
Mutual Funds				
Fixed Income	4,903,195	4,903,195	-	-
Large Cap	8,045,571	8,045,571	-	-
Small/Mid Cap	1,514,544	1,514,544	-	-
International	3,948,185	3,948,185	-	-
Equity Funds	32,964	32,964	-	-
Emerging Markets	9,641	9,641	-	-
Alternative Assets				
Private Equity	234,158	-	-	234,158
Absolute Return	17,183	-	-	17,183
Total	\$ 19,477,708	\$ 19,226,367	\$ -	\$ 251,341

The following table reconciles the beginning and ending balances of fair value measurements using significant unobservable inputs (Level 3) for the hedge funds for December 31, 2024.

UNITED ENGINEERING FOUNDATION
NOTES TO FINANCIAL STATEMENTS
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	Liberty Special Strategies TE Fund LLC	Glenmede Client Opportunities PFIC Pool	Glenmede Private Investment Fund VIII	Total
Beginning balance	\$ 17,183	\$ 18,087	\$ 216,071	\$ 251,341
Total unrealized gain (loss) in statement of activities	(15)	(2,163)	204	(1,974)
Withdrawals	(1,363)	-	-	(1,363)
Adjustments / True-up	623	-	(9,000)	(8,377)
Ending balance	<u>\$ 16,428</u>	<u>\$ 15,924</u>	<u>\$ 207,275</u>	<u>\$ 239,627</u>

The Organization's policy is to recognize transfers into and out of Level 3 at the end of the reporting period. For the years ended December 31, 2024 and 2023, there were no significant transfers into or out of Level 3.

Note 6 – Related Party Transactions

The Organization entered into an agreement on January 1, 2020 with an individual to act as the executive director for \$92,500 per year. The agreement automatically renews for successive one-year terms upon approval from both parties. For the years ending December 31, 2024 and 2023, the Organization paid the executive director \$107,625 and \$103,302, respectively.

Note 7 – Administrative Services

The Organization utilizes a third-party administrative service on a month-to-month basis which can be terminated by either party upon written notice. For the years ended December 31, 2024 and 2023 administrative services amounted to \$18,000.

In addition, the Organization paid its Administrative Assistant \$6,168 and \$6,851 for the years ended December 31, 2024 and 2023, respectively.

Note 8 – Subsequent Events

Date of Management's Evaluation.

The date to which events occurring after December 31, 2024, the date of the most recent statement of financial position, have been evaluated for possible adjustment to the financial statements or disclosures is May 30, 2025 which is the date the financial statements were available to be issued.