



United Way of Greater Richmond & Petersburg

Financial Statements

June 30, 2019 and 2018



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UNITED WAY OF GREATER RICHMOND & PETERSBURG

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors
United Way of Greater Richmond & Petersburg
Richmond, Virginia:

Report on the Financial Statements

We have audited the accompanying financial statements of the United Way of Greater Richmond & Petersburg (the "Organization"), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Greater Richmond & Petersburg, as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Organization adopted Accounting Standards Update 2016-14, "*Presentation of Financial Statements of Not-for-Profit Entities*" (Topic 958). As a result of this adoption, net assets are now presented as net assets without donor restrictions and net assets with donor restrictions. In addition, there are additional disclosures related to an analysis of expenses by function and nature, and disclosures of quantitative and qualitative information regarding liquidity and availability of resources. Our opinion is not modified with respect to this matter.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information provided on pages 28 through 31 is presented for the purpose 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 audits 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



December 2, 2019
Glen Allen, Virginia

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Financial Position
June 30, 2019 and 2018

<u>Assets</u>	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 3,543,917	\$ 3,447,137
Pledges receivable:		
Campaign 17/18 - net of allowance of \$218,343	-	2,293,958
Campaign 18/19 - net of allowance of \$191,439	2,185,862	-
Other receivables	199,790	304,630
Other assets	<u>43,064</u>	<u>42,007</u>
Total current assets	5,972,633	6,087,732
Investments (Note 2)	5,961,526	6,460,313
Leasehold improvements and equipment at cost		
less accumulated depreciation (Note 3)	<u>93,615</u>	<u>105,343</u>
Total assets	<u>\$ 12,027,774</u>	<u>\$ 12,653,388</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Financial Position, Continued
June 30, 2019 and 2018

<u>Liabilities and Net Assets</u>	<u>2019</u>	<u>2018</u>
Current liabilities:		
Allocations payable	\$ 1,697,664	\$ 965,000
Designations payable	3,367,316	3,280,811
Accrued expenses	115,269	139,061
Accounts payable	19,110	49,706
Funds held for others (Note 4)	<u>477,739</u>	<u>137,008</u>
Total current liabilities	<u>5,677,098</u>	<u>4,571,586</u>
Net Assets:		
Without donor restrictions (Note 5):		
Board designated:		
Reserves	3,262,324	4,741,688
Pension plan obligation	414,344	471,194
United Way operations	1,427,032	1,586,439
Building and equipment	<u>93,614</u>	<u>105,343</u>
Total board designated	<u>5,197,314</u>	<u>6,904,664</u>
Total without donor restrictions	<u>5,197,314</u>	<u>6,904,664</u>
With donor restrictions (Note 6):		
Annual campaign designated for future periods	308,997	240,559
Other with donor restrictions	<u>844,365</u>	<u>936,579</u>
Total with donor restrictions	<u>1,153,362</u>	<u>1,177,138</u>
Total net assets	<u>6,350,676</u>	<u>8,081,802</u>
Total liabilities and net assets	<u>\$ 12,027,774</u>	<u>\$ 12,653,388</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Activities Year Ended June 30, 2019, with Comparative Totals for 2018

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
Revenues, gains and other support:				
Gross campaign pledges 2018 / 2019	\$ -	\$ 7,843,431	\$ 7,843,431	\$ 8,260,566
Less donor designations	-	(2,630,278)	(2,630,278)	(2,689,948)
Less provision for uncollectible pledges	-	(206,898)	(206,898)	(232,629)
Subtotal campaign revenue 2018 / 2019	-	5,006,255	5,006,255	5,337,989
Energy Share contributions	-	8,052,205	8,052,205	8,015,359
Less donor designations - Energy Share	-	(8,052,205)	(8,052,205)	(8,015,359)
Subtotal Energy Share contribution 2018 / 2019	-	-	-	-
Gross campaign pledges prior year's:				
Contributions received	78,994	-	78,994	370,459
Subtotal prior year's campaign revenue	78,994	-	78,994	370,459
Contributions received released from restrictions				
	15,752,338	(15,752,338)	-	-
Donor designations	(10,682,483)	10,682,483	-	-
Net current period campaign	5,069,855	(5,069,855)	-	-
Gross campaign pledges future year	-	316,500	316,500	240,559
Total campaign revenue	5,148,849	252,900	5,401,749	5,949,007
Contributions	-	319,028	319,028	948,871
Memorials and bequests	29,731	-	29,731	21,000
Net public support	5,178,580	571,928	5,750,508	6,918,878
Grants from governmental agencies	-	129,046	129,046	138,726
Other revenue:				
Third party processing fees	209,408	-	209,408	39,089
Investment income, net	411,980	-	411,980	298,462
Unrealized gains (loss)	77,370	-	77,370	(174)
Endowment income	218,299	-	218,299	216,827
Designations from other United Ways	53,706	-	53,706	23,048
Fees from donor designations	31,706	-	31,706	216,321
Net other revenue	1,002,469	-	1,002,469	793,573
Net assets released from restrictions (Note 7)	724,750	(724,750)	-	-
Net public support and other revenue	6,905,799	(23,776)	6,882,023	7,851,177

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Activities, Continued
Year Ended June 30, 2019, with Comparative Totals for 2018

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
Allocations and expenses:				
Program services:				
Gross allocations	\$ 14,942,295	\$ -	\$ 14,942,295	\$ 13,629,057
Less donor designations	<u>(10,682,483)</u>	<u>-</u>	<u>(10,682,483)</u>	<u>(10,705,307)</u>
Net allocations	4,259,812	-	4,259,812	2,923,750
Community planning and allocations	870,767	-	870,767	867,846
Community initiatives	<u>826,035</u>	<u>-</u>	<u>826,035</u>	<u>1,128,685</u>
Total program services	<u>5,956,614</u>	<u>-</u>	<u>5,956,614</u>	<u>4,920,281</u>
Supporting services:				
Fundraising	1,558,292	-	1,558,292	1,243,236
Management and general	<u>1,098,243</u>	<u>-</u>	<u>1,098,243</u>	<u>1,155,713</u>
Total supporting services	<u>2,656,535</u>	<u>-</u>	<u>2,656,535</u>	<u>2,398,949</u>
Total expenses	<u>8,613,149</u>	<u>-</u>	<u>8,613,149</u>	<u>7,319,230</u>
Change in net assets	(1,707,350)	(23,776)	(1,731,126)	531,947
Net assets, beginning of year	<u>6,904,664</u>	<u>1,177,138</u>	<u>8,081,802</u>	<u>7,549,855</u>
Net assets, end of year	<u>\$ 5,197,314</u>	<u>\$ 1,153,362</u>	<u>\$ 6,350,676</u>	<u>\$ 8,081,802</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statement of Activities
Year Ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support:			
Gross campaign pledges 2017 / 2018	\$ -	\$ 8,260,566	\$ 8,260,566
Less donor designations	-	(2,689,948)	(2,689,948)
Less provision for uncollectible pledges	-	(232,629)	(232,629)
Subtotal campaign revenue 2017 / 2018	<u>-</u>	<u>5,337,989</u>	<u>5,337,989</u>
Energy Share contributions	-	8,015,359	8,015,359
Less donor designations - Energy Share	-	(8,015,359)	(8,015,359)
Subtotal Energy Share contribution 2017 / 2018	<u>-</u>	<u>-</u>	<u>-</u>
Gross campaign pledges prior year's:			
Contributions received	<u>370,459</u>	<u>-</u>	<u>370,459</u>
Subtotal prior year's campaign revenue	<u>370,459</u>	<u>-</u>	<u>370,459</u>
Contributions received released from restrictions	16,053,641	(16,053,641)	-
Donor designations	<u>(10,705,307)</u>	<u>10,705,307</u>	<u>-</u>
Net current period campaign	<u>5,348,334</u>	<u>(5,348,334)</u>	<u>-</u>
Gross campaign pledges future year	<u>-</u>	<u>240,559</u>	<u>240,559</u>
Total campaign revenue	5,718,793	230,214	5,949,007
Contributions	-	948,871	948,871
Memorials and bequests	<u>21,000</u>	<u>-</u>	<u>21,000</u>
Net public support	<u>5,739,793</u>	<u>1,179,085</u>	<u>6,918,878</u>
Grants from governmental agencies	<u>-</u>	<u>138,726</u>	<u>138,726</u>
Other revenue:			
Third party processing fees	39,089	-	39,089
Investment income, net	298,462	-	298,462
Unrealized loss	(174)	-	(174)
Endowment income	216,827	-	216,827
Designations from other United Ways	23,048	-	23,048
Fees from donor designations	<u>216,321</u>	<u>-</u>	<u>216,321</u>
Net other revenue	<u>793,573</u>	<u>-</u>	<u>793,573</u>
Net assets released from restrictions (Note 7)	<u>1,035,489</u>	<u>(1,035,489)</u>	<u>-</u>
Net public support and other revenue	<u>7,568,855</u>	<u>282,322</u>	<u>7,851,177</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statement of Activities, Continued
Year Ended June 30, 2018

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Allocations and expenses:			
Program services:			
Gross allocations	\$ 13,629,057	\$ -	\$ 13,629,057
Less donor designations	<u>(10,705,307)</u>	<u>-</u>	<u>(10,705,307)</u>
Net allocations	2,923,750	-	2,923,750
Community planning and allocations	867,846	-	867,846
Community initiatives	<u>1,128,685</u>	<u>-</u>	<u>1,128,685</u>
Total program services	<u>4,920,281</u>	<u>-</u>	<u>4,920,281</u>
Supporting services:			
Fundraising	1,243,236	-	1,243,236
Management and general	<u>1,155,713</u>	<u>-</u>	<u>1,155,713</u>
Total supporting services	<u>2,398,949</u>	<u>-</u>	<u>2,398,949</u>
Total expenses	<u>7,319,230</u>	<u>-</u>	<u>7,319,230</u>
Change in net assets	249,625	282,322	531,947
Net assets, beginning of year	<u>6,655,039</u>	<u>894,816</u>	<u>7,549,855</u>
Net assets, end of year	<u>\$ 6,904,664</u>	<u>\$ 1,177,138</u>	<u>\$ 8,081,802</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Cash Flows
Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ (1,731,126)	\$ 531,947
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized and realized net investment gain	(489,350)	(298,288)
Depreciation	41,523	37,032
Changes in operating assets and liabilities:		
Pledges receivable	108,096	145,182
Other receivables	104,840	(193,446)
Other assets	(1,057)	(1,126)
Allocations payable	732,664	(1,000,000)
Designations payable	86,505	(1,002,806)
Accrued expenses	(23,792)	53,601
Deferred rent	-	(15,227)
Accounts payable	(30,596)	(21,088)
Funds held for others	<u>340,731</u>	<u>125,767</u>
Net cash used in operating activities	<u>(861,562)</u>	<u>(1,638,452)</u>
Cash flows from investing activities:		
Purchase of investments	-	(39,260)
Net proceeds from sale of investments	988,137	-
Sale of certificate of deposit	-	503,801
Purchase of equipment	<u>(29,795)</u>	<u>(20,500)</u>
Net cash provided by investing activities	<u>958,342</u>	<u>444,041</u>
Net change in cash and cash equivalents	96,780	(1,194,411)
Cash and cash equivalents, beginning of year	<u>3,447,137</u>	<u>4,641,548</u>
Cash and cash equivalents, ending of year	<u>\$ 3,543,917</u>	<u>\$ 3,447,137</u>
Non-cash items:		
Funds transferred from Funds Held for Energy Share to Designations Payable on July 1, 2017	<u>\$ -</u>	<u>\$ 3,661,046</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Functional Expenses Year Ended June 30, 2019, with Comparative Totals for 2018

	Program Services			Support Services			2019 Total	2018 Total
	Community Planning and Allocations	Community Initiatives (see Schedule 1)	Total	Fundraising	Management and General	Total		
Gross allocations	\$ 14,942,295	\$ -	\$ 14,942,295	\$ -	\$ -	\$ -	\$ 14,942,295	\$ 13,629,057
Less donor designations	(10,682,483)	-	(10,682,483)	-	-	-	(10,682,483)	(10,705,307)
Subtotal	4,259,812	-	4,259,812	-	-	-	4,259,812	2,923,750
Salaries	478,570	259,919	738,489	762,785	553,940	1,316,725	2,055,214	1,962,915
Health and retirement benefits	36,048	67,576	103,624	147,709	74,600	222,309	325,933	548,811
Payroll taxes	32,144	4,439	36,583	56,046	47,058	103,104	139,687	158,446
Contract labor	-	1,915	1,915	-	5,264	5,264	7,179	16,818
Moving and recruitment	-	263	263	-	898	898	1,161	1,209
Specific program expenses	540	285,251	285,791	-	68	68	285,859	439,305
Pension plan contributions	82,882	59,389	142,271	79,547	92,250	171,797	314,068	59,850
Professional fees	-	83,320	83,320	-	65,732	65,732	149,052	248,407
Supplies	5,300	6,276	11,576	34,559	6,637	41,196	52,772	31,337
Telephone	6,333	658	6,991	6,309	8,434	14,743	21,734	26,797
Postage and shipping	3,569	13	3,582	6,221	6,558	12,779	16,361	15,527
Occupancy	131,731	3,596	135,327	120,254	121,444	241,698	377,025	352,421
Equipment maintenance	42,148	444	42,592	49,592	54,297	103,889	146,481	145,905
Printing and publications	804	5,488	6,292	196,028	6,800	202,828	209,120	160,548
Travel and related expenses	6,379	7,268	13,647	14,566	4,223	18,789	32,436	44,872
Conferences, conventions, and meetings	20,393	16,609	37,002	35,962	878	36,840	73,842	47,550
Depreciation expense	6,934	6,935	13,869	13,827	13,827	27,654	41,523	37,032
Miscellaneous	316	-	316	1,535	1,983	3,518	3,834	4,924
Subtotal	854,091	809,359	1,663,450	1,524,940	1,064,891	2,589,831	4,253,281	4,302,674
Total before UWA dues	5,113,903	809,359	5,923,262	1,524,940	1,064,891	2,589,831	8,513,093	7,226,424
United Way Worldwide dues	16,676	16,676	33,352	33,352	33,352	66,704	100,056	92,806
Total functional expenses	<u>\$ 5,130,579</u>	<u>\$ 826,035</u>	<u>\$ 5,956,614</u>	<u>\$ 1,558,292</u>	<u>\$ 1,098,243</u>	<u>2,656,535</u>	<u>\$ 8,613,149</u>	<u>\$ 7,319,230</u>

Note: Specific program expenses mainly include external program related costs including contracting for VSQI, payments to energy vendors and other specific program activities.

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statement of Functional Expenses
Year Ended June 30, 2018

	Program Services			Support Services			
	Community Planning and Allocations	Community Initiatives (see Schedule 1)	Total	Fundraising	Management and General	Total	Total
Gross allocations	\$ 13,629,057	\$ -	\$ 13,629,057	\$ -	\$ -	\$ -	\$ 13,629,057
Less donor designations	(10,705,307)	-	(10,705,307)	-	-	-	(10,705,307)
Subtotal	2,923,750	-	2,923,750	-	-	-	2,923,750
Salaries	410,466	385,496	795,962	587,287	579,666	1,166,953	1,962,915
Health and retirement benefits	169,902	39,765	209,667	165,398	173,746	339,144	548,811
Payroll taxes	30,250	29,152	59,402	43,980	55,064	99,044	158,446
Contract labor	-	5,940	5,940	-	10,878	10,878	16,818
Moving and recruitment	-	-	-	-	1,209	1,209	1,209
Specific program expenses	-	439,305	439,305	-	-	-	439,305
Pension plan contributions	-	59,850	59,850	-	-	-	59,850
Professional fees	581	79,549	80,130	88,119	80,158	168,277	248,407
Supplies	1,138	10,624	11,762	12,527	7,048	19,575	31,337
Telephone	10,601	450	11,051	8,005	7,741	15,746	26,797
Postage and shipping	3,578	7	3,585	6,412	5,530	11,942	15,527
Occupancy	143,843	-	143,843	100,536	108,042	208,578	352,421
Equipment maintenance	49,583	240	49,823	34,891	61,191	96,082	145,905
Printing and publications	11,021	13,301	24,322	135,919	307	136,226	160,548
Travel and related expenses	7,262	13,203	20,465	14,374	10,033	24,407	44,872
Conferences, conventions, and meetings	6,744	30,016	36,760	1,931	8,859	10,790	47,550
Depreciation expense	6,184	6,184	12,368	12,332	12,332	24,664	37,032
Miscellaneous	1,225	135	1,360	590	2,974	3,564	4,924
Subtotal	852,378	1,113,217	1,965,595	1,212,301	1,124,778	2,337,079	4,302,674
Total before UWA dues	3,776,128	1,113,217	4,889,345	1,212,301	1,124,778	2,337,079	7,226,424
United Way Worldwide dues	15,468	15,468	30,936	30,935	30,935	61,870	92,806
Total functional expenses	\$ 3,791,596	\$ 1,128,685	\$ 4,920,281	\$ 1,243,236	\$ 1,155,713	\$ 2,398,949	\$ 7,319,230

Note: Specific program expenses mainly include external program related costs including contracting for VSQI, payments to energy vendors and other specific program activities.

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements

1. **Nature of Activities and Significant Accounting Policies:**

Nature of Organization: United Way of Greater Richmond & Petersburg (the “Organization”) helps build capacity in critical programs and services to prepare children, help families and individuals achieve financial stability, and support the health and wellness of older adults. Working together with organizations and individuals throughout greater Richmond and Petersburg, the Organization is changing and improving lives not only in the moment of need, but for the long-term. The majority of the revenues come from the annual campaign. The campaign raises both funds with donor restrictions and funds without donor restrictions. The funds without donor restrictions are allocated by local volunteers, who serve on the allocation panels of the Organization’s Planning and Allocations Division, and the allocations are approved by the Board of Directors.

Newly Adopted Accounting Standard: In August 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-14, “*Presentation of Financial Statements of Not-for-Profit Entities*” (Topic 958). The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled “net assets without donor restrictions” and “net assets with donor restrictions”, (b) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (c) requiring disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (d) presenting investment return net of external and direct internal investment expenses, and (e) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The Organization has adopted this ASU as of and for the year ended June 30, 2019. As a result, the Organization changed the presentation of its net asset classes and expanded the note disclosures as required by the ASU.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

1. Nature of Activities and Significant Accounting Policies, Continued:

Classifications of Net Assets: The financial statements are presented in accordance with FASB accounting guidance for financial statements of not-for-profit organizations, which establishes standards for financial statements issued by nonprofit organizations. It requires that net assets and related revenue and expenses be classified in two classes of net assets – net assets without donor restrictions and net assets with donor restrictions, based upon the existence or absence of donor-imposed restrictions. A definition and description of each net asset class follows:

Net Assets Without Donor Restrictions: Net assets without donor restrictions are not subject to donor-imposed restrictions. Net assets without donor restrictions include the revenues and expenses of the primary operations of the Organization. Donor-restricted contributions, sponsorships and grants whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Board designated funds as assessed by the Board of Directors are a component of net assets without donor restrictions and consists of amounts included within the endowment for use of future mission related projects. Additions and disbursements to the board designated funds occur at the discretion of the Board of Directors. The following describes the purpose of each board designation:

- Reserves – funds designated for future operating needs
- Pension plan obligation – funds designated for multiagency pension plan to cover out of business affiliates
- United Way operations– funds designated for current operating needs
- Building and equipment– funds designated for future capital purchases and projects.

Net Assets With Donor Restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. Some net assets with donor restrictions include donor-imposed stipulations for specific operating purposes. When a donor restriction expires, net assets with donor restrictions may be reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, whereby the donor stipulates that they be maintained permanently by the Organization to use all or part of the income earned on any related investments for general or specific purposes, in accordance with the conditions of each specific donation. There were no net assets with permanent donor restrictions at June 30, 2019 or 2018.

Pledges and Designations for Public Service Campaigns: Gross campaign pledges include the Local Government and Schools (“LGS”) locally managed public sector campaign. The Organization, as a federation, is distributing funds received from the LGS for its member agencies, in accordance with donor designations.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

1. Nature of Activities and Significant Accounting Policies, Continued:

Pledges and Allocations: Pledges to the Organization, net of estimated uncollectible amounts, are recognized as revenue or gains in the period received and as assets, decrease of liabilities, or expenses depending on the form of benefits received. Allocations to agencies approved prior to the allocation year are deducted from annual campaign support designated for future periods and are reported as liabilities until paid. All contributions are considered available for use without restrictions unless specifically restricted by the donor. Pledges are recorded in the statements of financial position when received, and allowances are provided for amounts estimated to be uncollectible. All uncollected pledges are charged off at the end of the second year following the year in which they were pledged. The amounts estimated to be uncollectible are determined by historical trends and current economic and environmental factors and approved by the Board of Directors. Pledges that are raised by the Organization but paid directly to the designated agency by the company or a third party, totaled \$1,610,068 and \$1,557,112 for the years ended June 30, 2019 and 2018, respectively.

During the year ended June 30, 2018, net allocations decreased because it marked the end of a three year funding cycle and the Organization made commitments for the next 15 months (October 1, 2018 to December 31, 2019) in order to get allocations on a calendar year cycle going forward.

Cash and Cash Equivalents: For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and equivalents.

Investments: Investments are comprised of a mutual fund and money market fund and are reported in the statements of financial position at their fair values based on quoted market prices (see Note 2). Investments are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the risks in the near term could materially affect amounts reported on the financial statements.

Use of Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States. 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 events and circumstances could alter those estimates.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

1. Nature of Activities and Significant Accounting Policies, Continued:

Leasehold Improvements and Equipment: Leasehold improvements and equipment are recorded at cost for purchased assets and at fair market value at the date of receipt for contributed assets. Depreciation is computed by the straight-line method over the estimated useful lives of the assets ranging from 5 to 10 years using the straight-line and MACRS methods. Expenditures for maintenance and repairs are charged to expense, while expenses for major improvements are capitalized. The cost and accumulated depreciation are removed from the accounts for property sold or retired and any resulting gain or loss is included in operations.

Donated Services: No amounts have been reflected in the financial statements for donated services because no objective basis is available to measure the value of such services. A substantial number of volunteers have donated significant amounts of their time to the Organization's program services and fund raising campaigns.

Tax Status: United Way of Greater Richmond & Petersburg is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined to be a charitable organization, which qualifies contributions, bequests and legacies as deductions by the donor for income, estate and gift tax purposes.

Income Tax Uncertainties: The Organization has adopted the FASB guidance related to accounting for uncertainty in income taxes, which clarifies the accounting for income taxes by prescribing the minimum recognition threshold that a tax position is required to meet before being recognized in the Organization's financial statements.

In accordance with the guidance, the Organization discloses the expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the facts and the Organization's position and records unrecognized tax benefits or liabilities for known, or anticipated tax issues based on the Organization's analysis of whether additional taxes would be due to the authority given their full knowledge of the tax position. The Organization accrues interest and penalties related to unrecognized tax benefits as other noncurrent liabilities and recognizes the related changes in the Organization's assessments as a component of income tax expense. The Organization has completed its assessment and determined that there were no tax positions, which would require recognition under the guidance. The Organization is not currently under audit by any tax jurisdiction.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

1. Nature of Activities and Significant Accounting Policies, Continued:

Concentration of Credit Risk: Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and unsecured receivables.

Management believes the Organization's cash balances are maintained with quality financial institutions in order to offset the risk of loss that may occur when balances exceed the Federal Deposit Insurance Corporation insured limits on each account of \$250,000. The ability to collect pledges resulting from fund raising efforts is affected by general economic conditions in the Richmond-Petersburg, Virginia metropolitan area.

Functional Allocation of Expenses: The cost of providing various program and support activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas, while indirect costs that benefit multiple functional areas have been allocated among various functional areas on several bases and estimates. Costs related to personnel are allocated amongst functions based upon the percentage of time each employee spends performing each function. Certain supplies and services have been allocated based on usage. Most other costs are evaluated on a per invoice basis to determine what functions have been served.

2. Fair Value Measurements:

The Organization follows FASB guidance on fair value measurements. The provisions of the guidance provide a framework for measuring fair value under Generally Accepted Accounting Principles ("GAAP") and defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. This guidance requires that valuation techniques maximize the use of observable inputs and minimizes the use of unobservable inputs. This guidance also established a fair value hierarchy which prioritizes the valuation inputs into three broad levels. Based on the underlying inputs, each fair value measurement in its entirety is reported in one of three levels:

Level 1 – Unadjusted quoted prices that are available in active markets for the identical assets or liabilities at the measurement date. The Organization's Level 1 assets include cash and cash equivalents, money market funds and mutual fund shares. Mutual fund shares held had a value of \$5,451,700 as of June 30, 2019 and a value of \$4,939,178 as of June 30, 2018. The mutual fund is a large value fund with 65-75% invested in equity securities and 25-35% invested in fixed income instruments. The money market fund amounted to \$509,826 and \$1,521,135 as of June 30, 2019 and 2018, respectively.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

2. Fair Value Measurements, Continued:

Level 2 – Other observable inputs available at the measurement date, other than quoted prices included in Level 1, either directly or indirectly, including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by other observable market data.

The Organization's Level 2 assets included a certificate of deposit that was redeemed in December 2017. The Organization does not hold Level 2 assets or liabilities at fair value on the Statements of Financial Position.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data and reflect the use of significant management judgment. These values are generally determined using pricing models for which the assumptions utilize management's estimates of market participant assumptions. The Organization does not hold Level 3 assets or liabilities at fair value on the statements of financial position.

3. Leasehold Improvements and Equipment:

Leasehold improvements and equipment consisted of the following:

	<u>2019</u>	<u>2018</u>
Leasehold improvements	\$ 175,549	\$ 175,549
Furniture, equipment and software	<u>1,440,842</u>	<u>1,411,047</u>
	1,616,391	1,586,596
Less accumulated depreciation	<u>1,522,776</u>	<u>1,481,253</u>
Total	<u>\$ 93,615</u>	<u>\$ 105,343</u>

Depreciation expense amounted to \$41,523 and \$37,032 for the years ended June 30, 2019 and 2018, respectively.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

4. Funds Held for Energy Share and Others:

Energy Share:

Prior to July 1, 2017, United Way of Greater Richmond & Petersburg acted as the fiscal agent for the Energy Share campaign sponsored by Dominion Energy ("DE"). Energy Share is a fuel assistance program that pays for the heating and cooling services of those individuals who cannot financially secure these services on their own. The Organization collects and distributes these contributions. United Way of Greater Richmond & Petersburg was also the distributing agency for the Energy Share program for several counties in central Virginia and North Carolina.

Effective July 1, 2017, United Way of Greater Richmond & Petersburg and DE executed a new Energy Share agreement whereby DE makes a designated contribution to the Organization to manage the Energy Share program's funds. These designated contributions are shown as gross Energy Share Funds on the Statements of Activities.

Others:

The Organization is also an independent processor for third-party campaigns. Amounts collected, but not remitted at year end are reflected in funds held for others.

Funds held for Energy Share and others are reflected as revenues and expenses in the statements of activities.

Transactions consisted of the following for the year ended June 30, 2019:

	<u>Energy Share</u>	<u>Others</u>
Balance, beginning	\$ -	\$ 137,008
Amounts received	-	2,501,093
Amounts disbursed	-	<u>(2,160,362)</u>
Balance, ending	<u>\$ -</u>	<u>\$ 477,739</u>

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

4. Funds Held for Energy Share and Others, Continued:

Others, Continued:

Transactions consisted of the following for the year ended June 30, 2018:

	<u>Energy Share</u>	<u>Others</u>
Balance, beginning	\$ 3,661,046	\$ 11,241
Transfer to designations payable	\$ (3,661,046)	\$ -
Amounts received	-	2,363,207
Amounts disbursed	-	<u>(2,237,440)</u>
Balance, ending	<u>\$ -</u>	<u>\$ 137,008</u>

5. Net Assets Without Donor Restrictions:

Net assets without donor restrictions as of June 30 consisted of the following:

	<u>2019</u>	<u>2018</u>
Designated by the Board of Directors:		
Capital Replacement Reserve Fund	\$ 5,169	\$ 5,233
Community Impact Reserve	32,296	63,546
Community Reserve Fund	3,195,036	4,643,086
Pension Plan obligation	414,344	471,194
Southside Reserve Fund	29,823	29,823
United Way operations	1,427,032	1,586,439
Building and equipment net assets	<u>93,614</u>	<u>105,343</u>
Total without donor restrictions	<u>\$ 5,197,314</u>	<u>\$ 6,904,664</u>

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

6. Net Assets With Donor Restrictions:

Net assets with donor restrictions as of June 30 are available for the following purposes or periods:

	2019	2018
Education/Early Care:		
Early Childhood/Smart Beginnings	\$ 5,528	\$ 5,528
Youth Program Quality Initiative	242,170	212,163
Petersburg City	-	(1,028)
Infant and Toddler	12,224	12,224
Harvard Fellows	-	4,067
Income/Financial Stability:		
211 - Information and Referral	-	(1,568)
Workforce Development	52,367	-
Metrocare	7,688	7,688
THRIVE Collaborative	73,073	145,516
Richmond Memorial Healthcare	12,041	12,944
Metrocash	102,083	106,523
Health		
Social Isolation	30,723	31,223
Trauma Networks	22,000	22,000
Beyond ACES	5,430	7,030
Bridging Richmond	218,162	324,898
Other		
Strategic Volunteerism	60,876	47,371
	844,365	936,579
Annual campaign desig. for future periods	308,997	240,559
	\$ 1,153,362	\$ 1,177,138

There were no net assets with donor restrictions to be held in perpetuity at June 30, 2019 and 2018. Such net assets are restricted to investment in perpetuity, the income of which is expendable to support purposes as stipulated by the donor.

The Organization's policy is to transfer all endowment funds to The United Way of Greater Richmond & Petersburg Endowment Fund, assets of which are held by the Community Foundation unless otherwise directed by the Board (see Note 11).

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

7. Net Assets Released from Restrictions:

Net assets released for expenses satisfying the restricted purposes of grants were as follows:

	2019	2018
Expenses satisfying restricted purposes:		
Education/Early Care:		
Youth Program Quality Initiative	\$ 123,033	\$ 169,632
Petersburg City Schools	81,868	93,548
Harvard Fellows	21,655	151,484
Income/Financial Stability:		
211 - Information and Referral	78,977	73,864
Workforce Development	37,633	-
Metrocare	-	15,000
THRIVE Collaborative	88,943	95,924
Richmond Memorial Healthcare	903	143,247
Metrocash	149,944	114,415
Health		
Social Isolation	500	5,920
Beyond ACES	1,600	4,652
Bridging Richmond	139,694	165,539
Other		
Strategic Volunteerism	-	2,264
	\$ 724,750	\$ 1,035,489

8. Retirement Plans:

Defined Benefit Plan:

United Way of Greater Richmond & Petersburg administers and sponsors a multiple employer noncontributory defined benefit plan (as defined by ERISA and IRS code), the Defined Benefit Pension Plan of United Way of Greater Richmond & Petersburg and Affiliated Agencies (the "Plan"), which covered substantially all employees of the Organization until the Plan was frozen. Each year, the Organization sets the rate of contribution for covered salaries for all affiliated agencies.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

8. Retirement Plans, Continued:

Defined Benefit Plan, Continued:

The Plan funds the employee benefits of the Organization and affiliated agencies as if the employees worked for one entity. As such the actuarial calculations are not determined for the individual organizations participating in this Plan. GAAP considers the current year contribution for this type of plan to be the pension costs, and no Plan asset or obligation for benefits is recorded in the Organization's financial statements.

The Organization's contributions to the Plan amounted to \$232,176 in fiscal year 2019 and \$329,610 in fiscal year 2018.

As of January 1, 2019 and 2018, the most recent measurement dates for the Plan, the fair value of Plan assets amounted to \$31,627,368 and \$34,329,602 respectively, and the present value of accumulated Plan benefits amounted to \$34,546,714 and \$34,227,238 respectively. As of June 30, 2019 and 2018, the fair value of Plan assets amounted to approximately \$34,693,240 and \$33,862,708, respectively. Based on actuarial assumptions, current interest rates, market conditions, requirements of the Pension Protection Act, and other factors, the Organization and affiliated agencies are likely to be required to make future contributions to the Plan. At June 30, 2019 and 2018, the Organization had \$414,344 and \$471,194, respectively, of net assets designated for future obligations related to the Plan.

On September 26, 2008, the Board of Directors of United Way of Greater Richmond & Petersburg approved a resolution to freeze the Plan, effective December 31, 2008. The Organization set funding requirements from the Organization and affiliated agencies amounting to \$1,500,000 for the year ended June 30, 2019 and \$1,440,150 for the year ended June 30, 2018, which is allocated according to the respective benefit liability of each agency. This amount is subject to revision based on changes in legislation and other related factors. Since the Organization is the Plan Sponsor, should the participating entities not fulfill their funding responsibilities, the Organization could be exposed to additional risk.

Defined Contribution Plan:

In addition, the Organization sponsors a defined contribution retirement plan which covers all employees who meet eligibility requirements. The plan enables participants to make contributions, and the Organization may make matching contributions. The Organization's contributions to the plan amounted to \$138,875 for the year ended June 30, 2019 and \$117,771 for the year ended June 30, 2018.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

9. Line of Credit:

The Organization has available an unsecured line of credit of \$1,000,000. The line of credit has an interest rate of one-month LIBOR plus 2.0% per annum, is due on demand and renews annually. The next renewal will be on February 26, 2020. There have not been any borrowings against this line.

10. Lease Commitments:

The Organization leases office space through October 2021 and equipment under non-cancelable operating leases. As of June 30, 2019 future combined equipment and office lease payments are as follows:

2020	\$	376,801
2021		<u>128,155</u>
	\$	<u>504,956</u>

Rent expense for the years ended June 30, 2019 and 2018 was \$360,572 and \$343,341 respectively. The Organization had no deferred rent liability as of June 30, 2019 or 2018.

11. Related Party Transactions:

Fund:

The United Way of Greater Richmond & Petersburg Endowment and E. Claiborne Robins Endowment were organized to support the charitable and educational activities consistent with the mission of United Way of Greater Richmond & Petersburg. The endowment assets are held by the Community Foundation and are not reflected in the financial statements of the Organization. The Board of Directors has the right to request that The Community Foundation return the funds to the Organization. The Community Foundation would then need to take a vote and approve or deny that request. The funds are without donor restriction.

Summary financial information as of June 30, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Fund balance	\$ 6,046,529	\$ 6,037,487

The Organization received grants totaling \$218,299 and \$216,827 during the years ending June 30, 2019 and 2018, respectively.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

12. Overhead:

United Way of Greater Richmond & Petersburg provides an overhead measure for analytical review and comparison with other United Ways as established by United Way Worldwide membership standards. The percentage is based on gross revenues less allowance for uncollectible pledges. Overhead expenses include fundraising, management, and general expenses including depreciation, and United Way Worldwide membership dues. The percentages for 2019 and 2018 are as follows:

	2019	2018
Net public support and revenue	\$ 6,882,023	\$ 7,851,177
Unrealized (gains) loss, net	(77,370)	174
Recovery of shrinkage for prior years	(15,994)	(353,028)
Donor designations	10,682,483	10,705,307
Provision for uncollectible pledges	206,898	232,629
Gross revenues	17,678,040	18,436,259
Less provision for uncollectible pledges	(206,898)	(232,629)
Net revenues	\$ 17,471,142	\$ 18,203,630
Fundraising	\$ 1,558,292	\$ 1,243,236
Management and general	1,098,243	1,155,713
Total overhead	\$ 2,656,535	\$ 2,398,949
Percent of net revenues:		
Fundraising	8.92%	6.83%
Management and general	6.29%	6.35%
Total overhead, net method	15.21%	13.18%

13. Indemnification:

The Organization has certain obligations to indemnify its current and former officers and directors for certain events or occurrences while the officer or director is, or was, serving, at the Organization's request in such capacities. The maximum liability under these obligations is limited by the Code of Virginia, and the Organization's insurance policies also serve to further limit its exposure. The Organization is not aware of any such obligations.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

14. Liquidity and Availability of Financial Assets:

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

Financial assets available within one year:

Cash and cash equivalents	\$ 3,543,917
Pledges receivable, net of allowance	2,185,862
Other receivables	199,790
Investments, short-term and liquid	<u>5,961,526</u>

Total financial assets available within one year 11,891,095

Less those unavailable for general expenditure within one year:

Net assets with donor restrictions	1,153,362
Board Designated reserves	<u>5,197,314</u>

Total amounts unavailable for general expenditures within one year 6,350,676

Financial assets available within one year for general expenditure \$ 5,540,419

As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Organization has a line of credit in the amount of \$1,000,000 which it could draw upon. Net assets with donor restrictions includes \$308,997 of funds that are restricted to purposes that support various annual operating initiatives of the Organization (see Note 6). The Organization also has investments held at the Community Foundation in the United Way of Greater Richmond and Petersburg Endowment and E. Claiborne Robins Endowment, which could be used if certain conditions are met as described in Note 11. In addition, under certain conditions, board designated reserves totaling \$5,197,314 as of June 30, 2019, could be made available for operations.

15. Subsequent Events:

Management has evaluated subsequent events through December 2, 2019, the date the financial statements were available to be issued, and has determined there are no subsequent events to be reported in the accompanying financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

16. New Accounting Guidance:

Leases: In February 2016, the FASB issued new guidance over leases which requires that all leasing activity with initial terms in excess of twelve months be recognized on the statement of financial position with a right of use asset and a lease liability. The standards will require entities to classify leases as either a finance or operating lease based upon the contractual terms. For finance leases, the right to use asset and lease liability will be calculated based upon the present value of the lease payments. The asset will then be amortized and the interest on the obligation will be recognized separately within the statement of activities. On the statement of cash flows, the principal portion of the financing lease payments will be classified as a financing activity. For operating leases, the right to use asset and lease liability will also be calculated based upon the present value of the lease payments. However, the cost of the lease will generally be allocated over the lease term on a straight-line basis and presented as a single expense on the statement of activities. On the statement of cash flows, all cash payments for operating leases will be classified as an operating activity. The new standard will be effective for periods beginning after December 15, 2020, and will require entities to use a modified retrospective approach to the earliest period presented. The Organization has elected not to early adopt this ASU and intends to adopt it prior to the required transition date.

Revenue Recognition: During 2014, the FASB issued a new standard for revenue recognition, ASU 2014-09. The standard defines a process for evaluating revenue recognition including 1) identify the contract, 2) identify separate performance obligations, 3) determine the transaction price, 4) allocate the transaction price to the performance obligations, and 5) recognize revenue when (or as) the organization satisfies a performance obligation. One of the key concepts in the standard is that revenue should be recognized when a customer has control over a good or service. The standard also requires an entity to enhance revenue recognition disclosures in the accounting policy footnote including both quantitative and qualitative information, significant judgments involved in the process, and the amount and timing of remaining performance obligations. The standard is effective for private companies for annual reporting periods beginning after December 15, 2018. The Organization has elected not to early adopt this ASU and intends to adopt it prior to the required transition date.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

16. New Accounting Guidance, Continued:

Contributions Received: In June 2018, the FASB issued ASU 2018-08: *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which is intended to provide specific criteria to determine whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. The ASU provides a framework for determining whether a contribution is conditional or unconditional. Prior to the ASU, FASB's new revenue recognition standard eliminated exchange guidance and added additional disclosure requirements that are not relevant to these types of transactions. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018 with early adoption permitted. The Organization has elected not to early adopt this ASU and intends to adopt it prior to the required transition date.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Net Assets
Year Ended June 30, 2019

	Balance 6/30/2018	Support and Revenue	Allocations and Expenses	Reclassifications	Balance 6/30/2019
Net assets without donor restrictions:					
Undesignated	\$ -	\$ 707,639	\$ -	(707,639)	\$ -
Designated net assets:					
Capital Replacement Reserve	5,233	29,731	-	(29,795)	5,169
Community Impact Reserve	63,546	-	31,250	-	32,296
Community Reserve Fund	4,643,086	79,000	-	(1,527,050)	3,195,036
Pension Plan Obligation	471,194	-	56,850	-	414,344
Southside Reserve Fund	29,823	-	-	-	29,823
United Way Operations	<u>1,586,439</u>	<u>209,409</u>	<u>3,422,660</u>	<u>3,053,844</u>	<u>1,427,032</u>
Total designated net assets	6,799,321	1,025,779	3,510,760	789,360	5,103,700
Land, building, and equipment net assets	<u>105,343</u>	<u>-</u>	<u>41,523</u>	<u>29,794</u>	<u>93,614</u>
Total net assets without donor restrictions	<u>\$ 6,904,664</u>	<u>\$ 1,025,779</u>	<u>\$ 3,552,283</u>	<u>\$ 819,154</u>	<u>\$ 5,197,314</u>

See report of independent accountants.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Net Assets, Continued
Year Ended June 30, 2019

	Balance 6/30/2018	Support and Revenue	Allocations and Expenses	Reclassifications	Balance 6/30/2019
Net assets with donor restrictions:					
Education/Early Care:					
Early Childhood/Smart Beginnings	\$ 5,528	\$ -	\$ -	\$ -	\$ 5,528
Youth Program Quality Initiative	212,163	153,040	123,033	-	242,170
Petersburg City Schools	(1,028)	-	81,868	82,896	-
Infant and Toddler	12,224	-	-	-	12,224
Harvard Fellows	4,067	-	21,655	17,588	-
Income/Financial Stability:					
211 - Information and Referral	(1,568)	56,567	78,977	23,978	-
Workforce Development	-	90,000	37,633	-	52,367
Metrocare	7,688	-	-	-	7,688
THRIVE Collaborative	145,516	16,500	88,943	-	73,073
Richmond Memorial Healthcare	12,944	-	903	-	12,041
Metrocash	106,523	115,504	149,944	30,000	102,083
Health					
Social Isolation Initiative	31,223	-	500	-	30,723
Trauma Networks	22,000	-	-	-	22,000
Beyond ACES	7,030	-	1,600	-	5,430
Bridging Richmond	324,898	2,958	139,694	30,000	218,162
Other					
Strategic Volunteerism	47,371	13,505	-	-	60,876
	936,579	448,074	724,750	184,462	844,365
Annual Campaign designated for future periods	<u>240,559</u>	<u>5,408,170</u>	<u>4,336,116</u>	<u>(1,003,616)</u>	<u>308,997</u>
	1,177,138	5,856,244	5,060,866	(819,154)	1,153,362
Total net assets with donor restrictions	<u>\$ 8,081,802</u>	<u>\$ 6,882,023</u>	<u>\$ 8,613,149</u>	<u>\$ -</u>	<u>\$ 6,350,676</u>

* Other includes community initiatives supported by the MWV/W-T Community Fund (MeadWestvaco Foundation).

See report of independent accountants.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Summary of Community Initiatives
Year Ended June 30, 2019

	Education / Children and Youth			Health			Income / Financial Stability					Misc Programs*	Program Expenses	
	Harvard Fellows	YPQI	Petersburg Schools	Total	Social Isolation	Other	Total	Metrocash	2-1-1	Workforce Development	Other	Total	Other	Total
Salaries	\$ 19,833	\$ -	\$ 54,336	\$ 74,169	\$ -	\$ -	\$ -	\$ 95,672	\$ 47,831	\$ 29,167	\$ -	\$ 172,670	\$ 13,080	\$ 259,919
Health and retirement benefits	1,822	-	20,157	21,979	-	-	-	24,182	14,022	7,393	-	45,597	-	67,576
Payroll taxes	-	-	-	-	-	-	-	-	3,399	-	-	3,399	1,040	4,439
Contract labor	-	1,386	-	1,386	-	-	-	529	-	-	-	529	-	1,915
Moving and recruitment	-	263	-	263	-	-	-	-	-	-	-	-	-	263
Specific program expenses	-	101,944	4,004	105,948	-	-	-	15,000	-	-	87,500	102,500	76,803	285,251
Pension obligation	-	-	-	-	-	-	-	-	2,539	-	-	2,539	56,850	59,389
Professional fees	-	17,323	-	17,323	-	-	-	3,106	-	-	-	3,106	62,891	83,320
Supplies	-	-	115	115	-	-	-	4,834	166	117	-	5,117	1,044	6,276
Telephone	-	-	-	-	-	-	-	-	658	-	-	658	-	658
Postage and shipping	-	-	-	-	-	-	-	-	13	-	-	13	-	13
Occupancy	-	-	-	-	-	-	-	-	3,596	-	-	3,596	-	3,596
Equipment maintenance	-	-	-	-	-	-	-	-	444	-	-	444	-	444
Marketing materials and advertising	-	-	-	-	500	-	500	4,988	-	-	-	4,988	-	5,488
Travel and related expenses	-	826	185	1,011	-	-	-	1,633	4,262	-	113	6,008	249	7,268
Conferences, conventions and meetings	-	1,291	3,071	4,362	-	903	903	-	2,047	956	2,930	5,933	5,411	16,609
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	-	6,935	6,935
Total before UW Worldwide dues	21,655	123,033	81,868	226,556	500	903	1,403	149,944	78,977	37,633	90,543	357,097	224,303	809,359
United Way Worldwide dues	-	-	-	-	-	-	-	-	-	-	-	-	16,676	16,676
Total functional expenses	\$ 21,655	\$ 123,033	\$ 81,868	\$ 226,556	\$ 500	\$ 903	\$ 1,403	\$ 149,944	\$ 78,977	\$ 37,633	\$ 90,543	\$ 357,097	\$ 240,979	\$ 826,035

*Misc programs includes labor, pension plan future obligations, a prorated portion of depreciation and United Way Worldwide dues, and contributions to the partnership for nonprofit excellence.

Note: The Organization distributes allocable expenses based on the number of full-time employees amongst the various functional areas.

See report of independent accountants.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Summary of Community Initiatives
Year Ended June 30, 2018

	Education / Children and Youth			Health			Income / Financial Stability			Misc Programs*	Program Expenses		
	Harvard Fellows	YPQI	Petersburg Schools	Total	Social Isolation	Other	Total	Metrocash	2-1-1	THRIVE/ Other	Total	Other	Total
Salaries	\$ 139,215	\$ -	\$ 49,957	\$ 189,172	\$ -	\$ -	\$ -	\$ 71,416	\$ 49,570	\$ -	\$ 120,986	\$ 75,338	\$ 385,496
Health and retirement benefits	1,271	-	7,505	8,776	-	-	-	8,262	12,843	-	21,105	9,884	39,765
Payroll taxes	10,756	-	3,475	14,231	-	-	-	5,460	3,402	-	8,862	6,059	29,152
Contract labor	-	5,940	-	5,940	-	-	-	-	-	-	-	-	5,940
Specific program expenses	-	151,081	30,500	181,581	5,000	123,886	128,886	-	-	95,000	95,000	33,838	439,305
Pension obligation	-	-	-	-	-	-	-	-	-	-	-	59,850	59,850
Professional fees	-	2,722	1,000	3,722	-	5,500	5,500	2,700	-	-	2,700	67,627	79,549
Supplies	-	196	1,111	1,307	-	100	100	8,931	151	-	9,082	135	10,624
Telephone	-	-	-	-	-	-	-	-	450	-	450	-	450
Postage and shipping	-	-	-	-	-	-	-	7	-	-	7	-	7
Equipment maintenance	-	-	-	-	-	-	-	240	-	-	240	-	240
Marketing materials and advertising	-	-	-	-	920	-	920	11,020	910	-	11,930	451	13,301
Travel and related expenses	-	1,867	-	1,867	-	2,770	2,770	2,017	4,234	-	6,251	2,315	13,203
Conferences, conventions and meetings	242	7,826	-	8,068	-	10,991	10,991	4,362	2,169	924	7,455	3,502	30,016
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	6,184	6,184
Dues and subscriptions	-	-	-	-	-	-	-	-	135	-	135	-	135
Total before UW Worldwide dues	151,484	169,632	93,548	414,664	5,920	143,247	149,167	114,415	73,864	95,924	284,203	265,183	1,113,217
United Way Worldwide dues	-	-	-	-	-	-	-	-	-	-	-	15,468	15,468
Total functional expenses	\$ 151,484	\$ 169,632	\$ 93,548	\$ 414,664	\$ 5,920	\$ 143,247	\$ 149,167	\$ 114,415	\$ 73,864	\$ 95,924	\$ 284,203	\$ 280,651	\$ 1,128,685

*Misc programs includes labor, pension plan future obligations, a prorated portion of depreciation and United Way Worldwide dues, and contributions to the partnership for nonprofit excellence.

Note: The Organization distributes allocable expenses based on the number of full-time employees amongst the various functional areas.

See report of independent accountants.