



United Way of Greater Richmond & Petersburg

Financial Statements

June 30, 2020 and 2019



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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, 2020 and 2019, 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, 2020 and 2019, 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.

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.

A handwritten signature in black ink, appearing to read "Keita", with a long, sweeping horizontal stroke extending to the right.

December 1, 2020
Glen Allen, Virginia

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Financial Position
June 30, 2020 and 2019

<u>Assets</u>	<u>2020</u>	<u>2019</u>
Current assets:		
Cash and cash equivalents	\$ 6,381,127	\$ 3,543,917
Pledges receivable:		
Campaign 18/19 - net of allowance of \$191,439	135,581	2,185,862
Campaign 19/20 - net of allowance of \$150,710	1,909,169	-
Other receivables	81,045	199,790
Other assets	<u>48,011</u>	<u>43,064</u>
Total current assets	8,554,933	5,972,633
Investments (Note 2)	4,848,242	5,961,526
Leasehold improvements and equipment at cost less accumulated depreciation (Note 3)	<u>65,137</u>	<u>93,615</u>
Total assets	<u>\$ 13,468,312</u>	<u>\$ 12,027,774</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Financial Position, Continued
June 30, 2020 and 2019

<u>Liabilities and Net Assets</u>	<u>2020</u>	<u>2019</u>
Current liabilities:		
Allocations payable	\$ 1,452,502	\$ 1,697,664
Designations payable	5,251,863	3,367,316
Accrued expenses	173,198	115,269
Deferred revenue	200,000	-
Accounts payable	344	19,110
Funds held for others (Note 4)	<u>276,662</u>	<u>477,739</u>
Total current liabilities	7,354,569	5,677,098
Note payable (Note 9)	<u>494,717</u>	<u>-</u>
Total liabilities	<u>7,849,286</u>	<u>5,677,098</u>
Net Assets:		
Without donor restrictions (Note 5):		
Board designated:		
Reserves	2,425,419	3,262,324
Pension plan obligation	390,344	414,344
United Way operations	1,181,218	1,427,032
Building and equipment	<u>65,136</u>	<u>93,614</u>
Total board designated	<u>4,062,117</u>	<u>5,197,314</u>
Total without donor restrictions	<u>4,062,117</u>	<u>5,197,314</u>
With donor restrictions (Note 6):		
Annual campaign designated for future periods	745,759	308,997
Other with donor restrictions	<u>811,150</u>	<u>844,365</u>
Total with donor restrictions	<u>1,556,909</u>	<u>1,153,362</u>
Total net assets	<u>5,619,026</u>	<u>6,350,676</u>
Total liabilities and net assets	<u>\$ 13,468,312</u>	<u>\$ 12,027,774</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Activities Year Ended June 30, 2020, with Comparative Totals for 2019

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
Revenues, gains and other support:				
Gross campaign pledges 2019 / 2020	\$ -	\$ 8,839,961	\$ 8,839,961	\$ 7,843,431
Less donor designations	-	(3,805,756)	(3,805,756)	(2,630,278)
Less provision for uncollectible pledges	-	(357,806)	(357,806)	(206,898)
Subtotal campaign revenue 2019 / 2020	<u>-</u>	<u>4,676,399</u>	<u>4,676,399</u>	<u>5,006,255</u>
Energy Share contributions	-	6,128,366	6,128,366	8,052,205
Less donor designations - Energy Share	-	(6,128,366)	(6,128,366)	(8,052,205)
Subtotal Energy Share contribution 2019 / 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Gross campaign pledges prior year's:				
Contributions received	49,924	-	49,924	78,994
Less donor designations	-	(3,099)	(3,099)	-
Subtotal prior year's campaign revenue	<u>49,924</u>	<u>(3,099)</u>	<u>46,825</u>	<u>78,994</u>
Contributions received released from restrictions				
Contributions received	14,764,689	(14,764,689)	-	-
Donor designations	(9,937,000)	9,937,000	-	-
Net current period campaign	<u>4,827,689</u>	<u>(4,827,689)</u>	<u>-</u>	<u>-</u>
Gross campaign pledges future year	-	745,758	745,758	316,500
Total campaign revenue	<u>4,877,613</u>	<u>591,369</u>	<u>5,468,982</u>	<u>5,401,749</u>
Contributions	-	529,664	529,664	319,028
Memorials and bequests	83,780	-	83,780	29,731
Net public support	<u>4,961,393</u>	<u>1,121,033</u>	<u>6,082,426</u>	<u>5,750,508</u>
Grants from governmental agencies	<u>-</u>	<u>129,370</u>	<u>129,370</u>	<u>129,046</u>
Other revenue:				
Third party processing fees	233,354	-	233,354	209,408
Investment income, net	185,557	-	185,557	411,980
Unrealized (loss) gain	(94,104)	-	(94,104)	77,370
Endowment income	223,301	-	223,301	218,299
Designations from other United Ways	7,825	-	7,825	53,706
Fees from donor designations	26,926	-	26,926	31,706
Net other revenue	<u>582,859</u>	<u>-</u>	<u>582,859</u>	<u>1,002,469</u>
Net assets released from restrictions (Note 7)	<u>846,856</u>	<u>(846,856)</u>	<u>-</u>	<u>-</u>
Net public support and other revenue	<u>6,391,108</u>	<u>403,547</u>	<u>6,794,655</u>	<u>6,882,023</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Activities, Continued
Year Ended June 30, 2020, with Comparative Totals for 2019

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
Allocations and expenses:				
Program services:				
Gross allocations	\$ 12,842,000	\$ -	\$ 12,842,000	\$ 14,942,295
Less donor designations	<u>(9,937,000)</u>	<u>-</u>	<u>(9,937,000)</u>	<u>(10,682,483)</u>
Net allocations	2,905,000	-	2,905,000	4,259,812
Community planning and allocations	1,125,370	-	1,125,370	870,767
Community initiatives	<u>929,446</u>	<u>-</u>	<u>929,446</u>	<u>826,035</u>
Total program services	<u>4,959,816</u>	<u>-</u>	<u>4,959,816</u>	<u>5,956,614</u>
Supporting services:				
Fundraising	1,782,578	-	1,782,578	1,558,292
Management and general	<u>783,911</u>	<u>-</u>	<u>783,911</u>	<u>1,098,243</u>
Total supporting services	<u>2,566,489</u>	<u>-</u>	<u>2,566,489</u>	<u>2,656,535</u>
Total expenses	<u>7,526,305</u>	<u>-</u>	<u>7,526,305</u>	<u>8,613,149</u>
Change in net assets	(1,135,197)	403,547	(731,650)	(1,731,126)
Net assets, beginning of year	<u>5,197,314</u>	<u>1,153,362</u>	<u>6,350,676</u>	<u>8,081,802</u>
Net assets, end of year	<u>\$ 4,062,117</u>	<u>\$ 1,556,909</u>	<u>\$ 5,619,026</u>	<u>\$ 6,350,676</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statement of Activities Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support:			
Gross campaign pledges 2018 / 2019	\$ -	\$ 7,843,431	\$ 7,843,431
Less donor designations	-	(2,630,278)	(2,630,278)
Less provision for uncollectible pledges	-	(206,898)	(206,898)
Subtotal campaign revenue 2018 / 2019	-	5,006,255	5,006,255
Energy Share contributions	-	8,052,205	8,052,205
Less donor designations - Energy Share	-	(8,052,205)	(8,052,205)
Subtotal Energy Share contribution 2018 / 2019	-	-	-
Gross campaign pledges prior year's:			
Contributions received	78,994	-	78,994
Subtotal prior year's campaign revenue	78,994	-	78,994
Contributions received released from restrictions			
Contributions received	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
Total campaign revenue	5,148,849	252,900	5,401,749
Contributions	-	319,028	319,028
Memorials and bequests	29,731	-	29,731
Net public support	5,178,580	571,928	5,750,508
Grants from governmental agencies	-	129,046	129,046
Other revenue:			
Third party processing fees	209,408	-	209,408
Investment income, net	411,980	-	411,980
Unrealized gain	77,370	-	77,370
Endowment income	218,299	-	218,299
Designations from other United Ways	53,706	-	53,706
Fees from donor designations	31,706	-	31,706
Net other revenue	1,002,469	-	1,002,469
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

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statement of Activities, Continued
Year Ended June 30, 2019

	<u>Without Donor</u>	<u>With Donor</u>	<u>Total</u>
	<u>Restrictions</u>	<u>Restrictions</u>	
Allocations and expenses:			
Program services:			
Gross allocations	\$ 14,942,295	\$ -	\$ 14,942,295
Less donor designations	<u>(10,682,483)</u>	<u>-</u>	<u>(10,682,483)</u>
Net allocations	4,259,812	-	4,259,812
Community planning and allocations	870,767	-	870,767
Community initiatives	<u>826,035</u>	<u>-</u>	<u>826,035</u>
Total program services	<u>5,956,614</u>	<u>-</u>	<u>5,956,614</u>
Supporting services:			
Fundraising	1,558,292	-	1,558,292
Management and general	<u>1,098,243</u>	<u>-</u>	<u>1,098,243</u>
Total supporting services	<u>2,656,535</u>	<u>-</u>	<u>2,656,535</u>
Total expenses	<u>8,613,149</u>	<u>-</u>	<u>8,613,149</u>
Change in net assets	(1,707,350)	(23,776)	(1,731,126)
Net assets, beginning of year	<u>6,904,664</u>	<u>1,177,138</u>	<u>8,081,802</u>
Net assets, end of year	<u>\$ 5,197,314</u>	<u>\$ 1,153,362</u>	<u>\$ 6,350,676</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Cash Flows
Years Ended June 30, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ (731,650)	\$ (1,731,126)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Unrealized and realized net investment gain	(91,453)	(489,350)
Depreciation	44,561	41,523
Changes in operating assets and liabilities:		
Pledges receivable	141,112	108,096
Other receivables	118,745	104,840
Other assets	(4,947)	(1,057)
Allocations payable	(245,162)	732,664
Designations payable	1,884,547	86,505
Accrued expenses	57,929	(23,792)
Deferred revenue	200,000	-
Accounts payable	(18,766)	(30,596)
Funds held for others	(201,077)	340,731
	<u>1,153,839</u>	<u>(861,562)</u>
Net cash provided by (used in) operating activities		
Cash flows from investing activities:		
Net proceeds from sale of investments	1,204,737	988,137
Purchase of equipment	(16,083)	(29,795)
	<u>1,188,654</u>	<u>958,342</u>
Net cash provided by investing activities		
Cash flows provided by financing activities:		
Proceeds from note payable (Note 9)	494,717	-
	<u>494,717</u>	<u>-</u>
Net change in cash and cash equivalents	2,837,210	96,780
Cash and cash equivalents, beginning of year	3,543,917	3,447,137
	<u>3,543,917</u>	<u>3,447,137</u>
Cash and cash equivalents, ending of year	<u>\$ 6,381,127</u>	<u>\$ 3,543,917</u>

See accompanying notes to financial statements.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Statements of Functional Expenses Year Ended June 30, 2020, with Comparative Totals for 2019

	Program Services			Support Services			2020 Total	2019 Total
	Community Planning and Allocations	Community Initiatives (see Schedule 1)	Total	Fundraising	Management and General	Total		
Gross allocations	\$ 12,842,000	\$ -	\$ 12,842,000	\$ -	\$ -	\$ -	\$ 12,842,000	\$ 14,942,295
Less donor designations	(9,937,000)	-	(9,937,000)	-	-	-	(9,937,000)	(10,682,483)
Subtotal	2,905,000	-	2,905,000	-	-	-	2,905,000	4,259,812
Salaries	615,810	342,645	958,455	980,450	338,862	1,319,312	2,277,767	2,055,214
Health and retirement benefits	87,539	87,190	174,729	156,661	70,406	227,067	401,796	325,933
Payroll taxes	41,002	24,274	65,276	73,713	34,859	108,572	173,848	139,687
Contract labor	-	-	-	-	655	655	655	7,179
Moving and recruitment	-	-	-	-	1,147	1,147	1,147	1,161
Specific program expenses	-	348,513	348,513	-	2	2	348,515	285,859
Pension plan contributions	110,419	30,138	140,557	93,727	57,136	150,863	291,420	314,068
Professional fees	9,627	14,133	23,760	8,629	78,300	86,929	110,689	149,052
Supplies	869	4,991	5,860	57,893	6,842	64,735	70,595	52,772
Telephone	12,404	1,235	13,639	10,037	4,902	14,939	28,578	21,734
Postage and shipping	5,272	294	5,566	6,179	3,623	9,802	15,368	16,361
Occupancy	147,925	8,537	156,462	126,593	100,687	227,280	383,742	377,025
Equipment maintenance	55,420	10,465	65,885	49,831	17,868	67,699	133,584	146,481
Printing and publications	1,163	2,818	3,981	149,004	-	149,004	152,985	209,120
Travel and related expenses	3,508	5,465	8,973	10,750	1,853	12,603	21,576	32,436
Conferences, conventions, and meetings	5,926	19,343	25,269	-	4,509	4,509	29,778	73,842
Depreciation expense	7,442	7,442	14,884	14,838	14,839	29,677	44,561	41,523
Miscellaneous	281	1,200	1,481	2,747	5,895	8,642	10,123	3,834
Subtotal	1,104,607	908,683	2,013,290	1,741,052	742,385	2,483,437	4,496,727	4,253,281
Total before UWA dues	4,009,607	908,683	4,918,290	1,741,052	742,385	2,483,437	7,401,727	8,513,093
United Way Worldwide dues	20,763	20,763	41,526	41,526	41,526	83,052	124,578	100,056
Total functional expenses	<u>\$ 4,030,370</u>	<u>\$ 929,446</u>	<u>\$ 4,959,816</u>	<u>\$ 1,782,578</u>	<u>\$ 783,911</u>	<u>2,566,489</u>	<u>\$ 7,526,305</u>	<u>\$ 8,613,149</u>

Note: Specific program expenses mainly include external program related costs including contracting for Youth Program Quality Intervention ("YPQI"), 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, 2019

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

Note: Specific program expenses mainly include external program related costs including contracting for YPQI, 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 June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-08: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made ("Topic 958"), 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 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. Specific to contributions or grants received by the Organization, the amendments in this ASU are effective for fiscal years beginning after December 15, 2018. The Organization adopted this guidance for the year ended June 30, 2020 with retrospective presentation in the financial statements. The adoption of this ASU did not have a material impact on the Organization's financial statements and no adjustment was required.

Effective July 1, 2019, the Organization adopted ASU 2014-09, Revenue from Contracts with Customers ("Topic 606") and several other ASUs that were issued as amendments to ASU No. 2014-09, which apply to all contracts with customers to transfer goods or services or for the transfer of nonfinancial assets, unless those contracts are within the scope of other standards. ASU No. 2014-09's core principle is that an entity recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In adopting this standard, the Organization is required to use more judgment and make more estimates than under the previous guidance, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price, and allocating the transaction price to each separate performance obligation. The Organization adopted ASU No. 2014-09 during 2020, using the full retrospective method. The adoption of Topic 606 did not have a material impact on the Organization's financial statements and there were no adjustments to previously recorded amounts.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

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

Basis of Accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“GAAP”) as determined by the FASB Accounting Standards Codification.

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, 2020 or 2019.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

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

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.

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 \$2,019,964 and \$1,610,068 for the years ended June 30, 2020 and 2019, respectively.

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.

Paycheck Protection Program (“PPP”) Loan: The Organization’s policy is to account for the PPP loan as debt (see Note 9). The Organization will continue to record the loan as debt until either (1) the loan is partially or entirely forgiven and the debtor has been legally released, at which point the amount forgiven would be recorded into income, or (2) the Organization pays off the loan. The loan is included as note payable on the accompanying Statements of Financial Position.

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 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:

Deferred Revenue: Deferred revenue consists of income which has been received in advance for administrative services provided as part of the Energy Share campaign (see Note 4). The income is recognized and transferred to the appropriate income accounts upon completion of the services provided.

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.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

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 \$4,056,031 as of June 30, 2020 and a value of \$5,451,700 as of June 30, 2019. 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 \$792,211 and \$509,826 as of June 30, 2020 and 2019, respectively.

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 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.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

3. Leasehold Improvements and Equipment:

Leasehold improvements and equipment consisted of the following:

	<u>2020</u>	<u>2019</u>
Leasehold improvements	\$ 175,549	\$ 175,549
Furniture, equipment and software	<u>1,456,925</u>	<u>1,440,842</u>
	1,632,474	1,616,391
Less accumulated depreciation	<u>1,567,337</u>	<u>1,522,776</u>
Total	<u>\$ 65,137</u>	<u>\$ 93,615</u>

Depreciation expense amounted to \$44,561 and \$41,523 for the years ended June 30, 2020 and 2019, respectively.

4. Funds Held for Energy Share and Others:

Energy Share:

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.

Effective July 1, 2017, United Way of Greater Richmond & Petersburg and DE executed an 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.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

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

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 for funds held for others consisted of the following for the years ended June 30:

	2020	2019
Balance, beginning	\$ 477,739	\$ 137,008
Amounts received	1,466,574	2,501,093
Amounts disbursed	(1,667,651)	\$ (2,160,362)
Balance, ending	\$ 276,662	\$ 477,739

5. Net Assets without Donor Restrictions:

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

	2020	2019
Designated by the Board of Directors:		
Capital Replacement Reserve Fund	\$ 72,867	\$ 5,169
Community Impact Reserve	32,296	32,296
Community Reserve Fund	2,290,433	3,195,036
Pension Plan obligation	390,344	414,344
Southside Reserve Fund	29,823	29,823
United Way operations	1,181,218	1,427,032
Building and equipment net assets	65,136	93,614
Total without donor restrictions	\$ 4,062,117	\$ 5,197,314

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:

	2020	2019
Education/Early Care:		
Early Childhood/Smart Beginnings	\$ 5,528	\$ 5,528
Youth Program Quality Initiative	203,954	242,170
Youth Housing	46,202	-
Kindergarten Countdown Camp	-	-
Petersburg City Schools	-	-
Infant and Toddler	12,224	12,224
Income/Financial Stability:		
THRIVE Collaborative	28,248	73,073
Richmond Memorial Healthcare	17,448	12,041
Metrocash	45,001	102,083
Metrocare	7,688	7,688
Workforce Development	160,286	52,367
211 Information and Referral	9	-
Health		
Social Isolation	30,723	30,723
Beyond ACES	21,887	5,430
Trauma Networks	22,000	22,000
Bridging Richmond	149,076	218,162
Other		
Strategic Volunteerism	60,876	60,876
	811,150	844,365
Annual campaign desig. for future periods	745,759	308,997
	\$ 1,556,909	\$ 1,153,362

There were no net assets with donor restrictions to be held in perpetuity at June 30, 2020 and 2019. 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:

	2020	2019
Expenses satisfying restricted purposes:		
Education/Early Care:		
Youth Program Quality Initiative	\$ 206,088	\$ 123,033
Youth Housing	66,138	-
Kindergarten Countdown Camp	2,428	-
Petersburg City Schools	124,968	81,868
Harvard Fellows	-	21,655
Income/Financial Stability:		
THRIVE Collaborative	55,225	88,943
Richmond Memorial Healthcare	-	903
Metrocash	137,013	149,944
Workforce Development	77,081	37,633
211 Information and Referral	91,974	78,977
Health		
Social Isolation Initiative	-	500
Beyond ACES	16,855	1,600
Bridging Richmond	69,086	139,694
	\$ 846,856	\$ 724,750

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.

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.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

8. Retirement Plans, Continued:

Defined Benefit Plan, Continued:

The Organization's contributions to the Plan amounted to \$297,558 in fiscal year 2020 and \$232,176 in fiscal year 2019.

As of January 1, 2020 and 2019, the most recent measurement dates for the Plan, the fair value of Plan assets amounted to \$36,470,455 and \$31,627,368 respectively, and the present value of accumulated Plan benefits amounted to \$36,369,013 and \$34,546,714 respectively. As of June 30, 2020 and 2019, the fair value of Plan assets amounted to approximately \$35,489,870 and \$34,963,240, 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, 2020 and 2019, the Organization had \$390,344 and \$414,344, 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, 2020 and June 30, 2019, 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 \$170,455 for the year ended June 30, 2020 and \$138,875 for the year ended June 30, 2019.

9. Line of Credit and Note Payable:

The Organization has available an unsecured line of credit of \$2,000,000. 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 25, 2021. There have not been any borrowings against this line.

As a result of the COVID-19 pandemic, the Organization applied for and received a loan through the Paycheck Protection Program in the amount of \$494,717 (see Note 17). The loan incurs fixed interest at 1% and matures in April 2022.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

10. Lease Commitments:

The Organization leases office space through December 2025 and equipment under non-cancelable operating leases. As of June 30, 2020 future combined equipment and office lease payments are as follows:

2021	\$ 286,503
2022	211,131
2023	203,026
2024	203,026
2025	203,026
Thereafter	<u>84,178</u>
	<u>\$ 1,190,890</u>

Rent expense for the years ended June 30, 2020 and 2019 was \$366,511 and \$360,572 respectively.

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, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Fund balance	\$ 5,711,664	\$ 6,046,529

The Organization received grants totaling \$223,301 and \$218,299 during the years ending June 30, 2020 and 2019, 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 2020 and 2019 are as follows:

	2020	2019
Net public support and revenue	\$ 6,794,655	\$ 6,882,023
Unrealized loss (gain), net	94,104	(77,370)
Provision for (recovery of) shrinkage for prior years	4,419	(15,994)
Donor designations	9,937,000	10,682,483
Provision for uncollectible pledges	357,806	206,898
Gross revenues	17,187,984	17,678,040
Less provision for uncollectible pledges	(357,806)	(206,898)
Net revenues	\$ 16,830,178	\$ 17,471,142
Fundraising	\$ 1,782,578	\$ 1,558,292
Management and general	783,911	1,098,243
Total overhead	\$ 2,566,489	\$ 2,656,535
Percent of net revenues:		
Fundraising	10.59%	8.92%
Management and general	4.66%	6.29%
Total overhead, net method	15.25%	15.21%

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:

	2020	2019
Financial assets available within one year:		
Cash and cash equivalents	\$ 6,381,127	\$ 3,543,917
Pledges receivable, net of allowance	2,044,750	2,185,862
Other receivables	81,045	199,790
Investments, short-term and liquid	4,848,242	5,961,526
Total financial assets available within one year	13,355,164	11,891,095
Less those unavailable for general expenditure within one year:		
Net assets with donor restrictions	1,556,909	1,153,362
Board Designated reserves	4,062,117	5,197,314
Total amounts unavailable for general expenditures within one year	5,619,026	6,350,676
Financial assets available within one year for general expenditure	\$ 7,736,138	\$ 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 \$2,000,000 and \$1,000,000 at June 30, 2020 and 2019, respectively, which it could draw upon. Net assets with donor restrictions includes \$745,759 and \$308,997 of funds that are restricted to purposes that support various annual operating initiatives of the Organization as of June 30, 2020 and 2019, respectively (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 \$4,062,117 and \$5,197,314 as of June 30, 2020 and 2019, respectively, could be made available for operations.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

15. **Subsequent Events:**

Management has evaluated subsequent events through December 1, 2020, 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.

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, 2021, 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.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Notes to Financial Statements, Continued

16. New Accounting Guidance, Continued:

Gifts In-Kind: In September 2020, the FASB issued ASU 2020-07, "Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets." The standard provides additional guidance to nonprofit organizations on how to record and disclose in-kind contributions. The overall purpose of the update is to provide more transparency in how organizations are receiving and valuing in-kind contributions. The ASU requires nonprofit organizations to present in-kind contributions as a separate line item in the Statement of Activities and to provide additional disclosures in the notes covering the following areas:

- A description of the organization's policy for monetizing or utilizing in-kind contributions;
- A listing of in-kind contributions categorized by type with a description about whether each type was monetized or utilized during the reporting period;
- For in-kind contributions that were utilized during the reporting period, the nonprofit must include a description of the programs or activities in which those contributions were used; and
- A description of the valuation process utilized by the organization to determine the fair value of the in-kind contributions.

The ASU is effective for periods beginning after June 30, 2021. The Organization is currently evaluating the reporting and economic implications of the new standard.

17. Uncertainties Related to COVID-19:

In March 2020, COVID-19 was declared a worldwide health pandemic and has had a significant impact on the national and global economy. As a result of the pandemic, the Organization experienced a disruption in its operations and programs. Management has implemented certain cost-cutting techniques and obtained a Paycheck Protection Program loan (see Note 9). While the PPP loan has not been formally forgiven as of the date the financial statements, the Organization believes it has met the requirements for full forgiveness. In addition, management made a decision to increase the line of credit from \$1,000,000 to \$2,000,000, which has not been used as of the date the financial statements were available to be issued. The ultimate impact of the pandemic on the Organization's future financial state is unknown at this time.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Net Assets
Year Ended June 30, 2020

	<u>Balance 6/30/2019</u>	<u>Support and Revenue</u>	<u>Allocations and Expenses</u>	<u>Reclassifications</u>	<u>Balance 6/30/2020</u>
Net assets without donor restrictions:					
Undesignated	\$ -	\$ 314,754	\$ -	(314,754)	\$ -
Designated net assets:					
Capital Replacement Reserve	5,169	83,780	-	(16,082)	72,867
Community Impact Reserve	32,296	-	-	-	32,296
Community Reserve Fund	3,195,036	46,833	-	(951,436)	2,290,433
Pension Plan Obligation	414,344	-	24,000	-	390,344
Southside Reserve Fund	29,823	-	-	-	29,823
United Way Operations	<u>1,427,032</u>	<u>233,133</u>	<u>3,581,308</u>	<u>3,102,361</u>	<u>1,181,218</u>
Total designated net assets	5,103,700	678,500	3,605,308	1,820,089	3,996,981
Land, building, and equipment net assets	<u>93,614</u>	<u>-</u>	<u>44,561</u>	<u>16,083</u>	<u>65,136</u>
Total net assets without donor restrictions	<u>\$ 5,197,314</u>	<u>\$ 678,500</u>	<u>\$ 3,649,869</u>	<u>\$ 1,836,172</u>	<u>\$ 4,062,117</u>

See report of independent accountants.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Net Assets, Continued
Year Ended June 30, 2020

	Balance 6/30/2019	Support and Revenue	Allocations and Expenses	Reclassifications	Balance 6/30/2020
Net assets with donor restrictions:					
Education/Early Care:					
Early Childhood/Smart Beginnings	\$ 5,528	\$ -	\$ -	\$ -	\$ 5,528
Youth Program Quality Initiative	242,170	177,377	206,088	(9,505)	203,954
Youth Housing	-	112,340	66,138	-	46,202
Kindergarten Countdown Camp	-	-	2,428	2,428	-
Petersburg City Schools	-	-	124,968	124,968	-
Infant and Toddler	12,224	-	-	-	12,224
Income/Financial Stability:					
211 Information and Referral	-	56,920	91,974	35,063	9
Workforce Development	52,367	185,000	77,081	-	160,286
Metrocare	7,688	-	-	-	7,688
THRIVE Collaborative	73,073	-	55,225	10,400	28,248
Richmond Memorial Healthcare	12,041	-	-	5,407	17,448
Metrocash	102,083	88,331	137,013	(8,400)	45,001
Health					
Social Isolation Initiative	30,723	-	-	-	30,723
Trauma Networks	22,000	-	-	-	22,000
Beyond ACES	5,430	33,312	16,855	-	21,887
Bridging Richmond	218,162	-	69,086	-	149,076
Other					
Strategic Volunteerism	60,876	-	-	-	60,876
	844,365	653,280	846,856	160,361	811,150
Annual Campaign designated for future periods	308,997	5,462,875	3,029,580	(1,996,533)	745,759
	1,153,362	6,116,155	3,876,436	(1,836,172)	1,556,909
Total net assets with donor restrictions	<u>\$ 6,350,676</u>	<u>\$ 6,794,655</u>	<u>\$ 7,526,305</u>	<u>\$ -</u>	<u>\$ 5,619,026</u>

See report of independent accountants.

UNITED WAY OF GREATER RICHMOND & PETERSBURG

Schedule of Summary of Community Initiatives
Year Ended June 30, 2020

	Education / Children and Youth					Income / Financial Stability					Misc Programs*	Program Expenses
	Kindergarten Countdown Camp	YPQI	Petersburg Schools	Youth Housing Stability	Total	Metrocash	2-1-1	Workforce Development	Thrive	Total	Other	Total
Salaries	\$ -	\$ 32,934	\$ 56,111	\$ 25,410	\$ 114,455	\$ 93,113	\$ 50,938	\$ 55,814	\$ -	\$ 199,865	\$ 28,325	\$ 342,645
Health and retirement benefits	-	5,885	29,693	5,802	41,380	21,832	14,231	9,747	-	45,810	-	87,190
Payroll taxes	-	2,451	3,720	1,918	8,089	6,638	3,485	4,000	-	14,123	2,062	24,274
Specific program expenses	1,541	154,074	30,771	29,588	215,974	550	-	1,690	55,225	57,465	75,074	348,513
Pension obligation	-	-	-	-	-	-	6,139	-	-	6,139	23,999	30,138
Professional fees	-	5,273	200	-	5,473	858	446	-	-	1,304	7,356	14,133
Supplies	650	132	-	82	864	3,920	140	67	-	4,127	-	4,991
Telephone	-	-	-	-	-	-	1,189	46	-	1,235	-	1,235
Postage and shipping	-	-	-	-	-	14	280	-	-	294	-	294
Occupancy	-	-	-	-	-	-	8,537	-	-	8,537	-	8,537
Equipment maintenance	-	-	-	-	-	6,506	3,060	899	-	10,465	-	10,465
Marketing materials and advertising	-	-	-	-	-	318	-	-	-	318	2,500	2,818
Travel and related expenses	153	209	1,258	776	2,396	377	2,395	297	-	3,069	-	5,465
Conferences, conventions and meetings	84	4,808	3,215	2,562	10,669	2,887	1,001	3,776	-	7,664	1,010	19,343
Depreciation expense	-	-	-	-	-	-	-	-	-	-	7,442	7,442
Dues and subscriptions	-	322	-	-	322	-	133	745	-	878	-	1,200
Total before UW Worldwide dues	2,428	206,088	124,968	66,138	399,622	137,013	91,974	77,081	55,225	361,293	147,768	908,683
United Way Worldwide dues	-	-	-	-	-	-	-	-	-	-	20,763	20,763
Total functional expenses	\$ 2,428	\$ 206,088	\$ 124,968	\$ 66,138	\$ 399,622	\$ 137,013	\$ 91,974	\$ 77,081	\$ 55,225	\$ 361,293	\$ 168,531	\$ 929,446

*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, 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.

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