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2021

United Way of Florida, Inc.

Financial Statements and
Independent Auditor's Report

June 30, 2021

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

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

**UNITED WAY OF FLORIDA, INC.
TALLAHASSEE, FLORIDA**

JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Governors
United Way of Florida, Inc.
Tallahassee, Florida

We have audited the accompanying financial statements of United Way of Florida, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 of America; 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 audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount 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 in the financial statements.

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

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Board of Governors
United Way of Florida, Inc.
Tallahassee, Florida

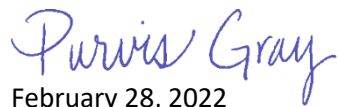
INDEPENDENT AUDITOR'S REPORT

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2020, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 4, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



February 28, 2022
Tallahassee, Florida

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STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	<u>2021</u>	<u>2020</u>
Net Assets Without Donor Restrictions		
Revenue and Support		
Membership Dues	\$ 378,463	\$ 386,713
Other Grants and Contributions	8,985	4,947
Children's Week	-	127,790
Senior Day	-	62,590
Capital Day	-	5,093
Administrative Fees	17,537	17,214
UWA Grant	8,075	-
Meetings	-	2,047
Interest Income	72	39
Miscellaneous Income	-	6
Total Revenues and Support Without Donor Restrictions	<u>413,132</u>	<u>606,439</u>
Net Assets Released from Restrictions	<u>423</u>	<u>4,650</u>
Expenses		
Program Services:		
Member Services	248,466	368,675
Public Policy	47,007	77,037
Children's Week	-	56,719
Senior Day	-	51,828
Other Contracts and Grants	13,138	26,020
Support Services	33,577	55,026
(Total Expenses)	<u>(342,188)</u>	<u>(635,305)</u>
Increase (Decrease) in Net Assets Without Donor Restrictions	<u>71,367</u>	<u>(24,216)</u>
Net Assets With Donor Restrictions		
Revenues and Support		
Disaster Fund Contributions	723	4,650
Net Assets Released from Restrictions	<u>(423)</u>	<u>(4,650)</u>
Increase (Decrease) in Net Assets With Donor Restrictions	<u>300</u>	<u>-</u>
Increase (Decrease) in Net Assets	71,667	(24,216)
Net Assets, Beginning of Year	<u>125,209</u>	<u>149,425</u>
Net Assets, End of Year	<u>\$ 196,876</u>	<u>\$ 125,209</u>

See accompanying notes.

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STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021,
WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	Member Services	Public Policy	Other Contracts and Grants	Support Services	2021 Total Functional Expenses	2020 Total
Personnel Costs	\$ 196,017	\$ 37,084	\$ 5,298	\$ 26,489	\$ 264,888	\$ 266,427
Contract Services	15,910	3,010	430	2,150	21,500	279,908
Professional Fees	7,346	1,390	198	993	9,927	9,787
Office Supplies	3,497	661	94	472	4,724	6,108
Communications	4,445	841	120	601	6,007	18,679
Postage	138	26	4	19	187	200
Occupancy	8,384	1,586	227	1,133	11,330	11,330
Printing	105	20	3	14	142	257
Meetings and Workshops	2,892	547	78	391	3,908	16,794
Professional Dues and Subscriptions	7,023	1,329	190	949	9,491	10,462
Insurance	2,176	412	59	294	2,941	2,932
Miscellaneous	269	51	7	36	363	5,812
Unclaimed Property Distribution	-	-	-	-	-	1,931
Grants and Contributions to Others	-	-	6,000	-	6,000	-
Disaster Fund Expense	-	-	423	-	423	4,650
Depreciation Expense	264	50	7	36	357	28
Total Expenses	\$ 248,466	\$ 47,007	\$ 13,138	\$ 33,577	\$ 342,188	\$ 635,305

See accompanying notes.

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STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Cash Provided from Members	\$ 382,521	\$ 401,190
Cash Provided from Contributions	34,320	225,337
Cash Paid to Employees for Services	(264,888)	(266,427)
Cash Paid to Vendors for Goods and Services	(82,880)	(367,896)
Interest Received	72	39
Net Cash (Used in) Provided by Operating Activities	<u>69,145</u>	<u>(7,757)</u>
Cash Flows from Investing Activities		
Purchase of Property and Equipment	<u>(1,149)</u>	<u>(1,013)</u>
Net Cash (Used in) Investing Activities	<u>(1,149)</u>	<u>(1,013)</u>
Cash Flows from Financing Activities		
Proceeds Received from Paycheck Protection Loan	<u>-</u>	<u>47,685</u>
Net Cash Provided by Financing Activities	<u>-</u>	<u>47,685</u>
Net Increase in Cash	67,996	38,915
Cash, Beginning of Year	<u>175,253</u>	<u>136,338</u>
Cash, End of Year	<u><u>\$ 243,249</u></u>	<u><u>\$ 175,253</u></u>

See accompanying notes.

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NOTES TO FINANCIAL STATEMENTS UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Note 1 - Organization and Purpose

United Way of Florida, Inc. (the Organization) is a Florida not-for-profit organization established in 1980. It is directed by a Board of Governors comprised of representatives from member United Ways, both volunteers and United Way executives. The Organization exists to serve Florida's 28 local United Ways by providing the membership with a united front on issues of statewide significance in the area of human services, by identifying and pursuing statewide public policy issues, by providing activities and programs that enhance their members' abilities to fulfill their missions, and by facilitating the use of the resources of the United Way of America. The mission of the United Way of Florida, Inc. is to enhance Florida United Ways' efforts to increase the organized capacity of people to care for one another.

The Organization receives member dues from the local United Way members to fund its operations. The dues are based on net campaign revenue.

Areas of priority importance to the Organization include:

- Public Policy - Leadership in the formation and advocacy of public policy as it relates to health and human services.
- ALICE (Asset Limited, Income Constrained, Employed) - Provide statewide leadership and member support to increase awareness of, and programs and advocacy for, the ALICE population.
- United Way Training - Leadership in providing training, networking, and information sharing opportunities for United Ways.

In addition to those three focus areas, the Organization provides general services relating to the array of issues facing non-profits to its members. Children's initiatives include Children's Week, which is a statewide event chaired by the Organization to promote children and family issues. Senior Day is a statewide event chaired by the Organization to educate elected officials regarding the critical importance of senior issues. The Organization has received grants for specific programs or initiatives, including advocacy support for children's issues and for assisting in the preparation of tax returns for low income working Floridians and Florida families.

Note 2 - Summary of Significant Accounting Policies

The Organization prepares its financial statements using the accrual basis of accounting, which is generally accepted.

Revenue Recognition

Member dues are recognized as income over the period to which the dues relate. Member dues collected in advance of the service period are deferred at year-end. Membership dues, which are non-refundable, are comprised of an exchange element based on the value of benefits provided.

The Organization also receives contributions and grants from businesses and United Way Worldwide. Contributions received are recorded as without donor restrictions or with donor restrictions depending on the nature of any donor restrictions. Donor restricted contributions are reclassified to net assets without donor restrictions when the purpose of the restriction is accomplished. The Organization also receives administrative fees from the United Way Worldwide associated with programs/grants. These administrative fees are recognized as the programs/grants are completed.

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NOTES TO FINANCIAL STATEMENTS UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Agency Funds

Agency funds are used to account for receipts that are not owned or controlled by the Organization. The Organization acts as fiscal agent for these funds by accounting for receipts deposited and disbursements made at the direction of the entity from whom they were received. These funds belong to the Clearinghouse on Human Services.

Financial Statement Presentation

Financial statement presentation follows *Accounting Codification Standards (ACS) 958-205, Financial Statements for Not-For-Profit Organizations*. Under ACS 958-205, the Organization is required to report information regarding its financial position and activities as follows:

- **Without Donor Restrictions**

Net assets that are not subject to donor-imposed stipulations.

- **With Donor Restrictions**

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, with donor restrictions assets are reclassified to without donor restrictions and reported in the statement of activities as net assets released from restrictions. Amounts reported as With Donor Restrictions as of June 30, 2021, are restricted by donors for disaster relief.

Functional Allocation of Expenses

The cost of the Organization's programs has been summarized on a functional basis in the statement of activities. Expenses that are directly identifiable with a specific program or initiative are charged to that program. Expenses that relate to both programs and general operations of the Organization are allocated based on management's best estimates of time spent or benefits provided.

Cash on Deposit

Cash consists of funds held in an interest bearing checking account. Accounts at each banking institution are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At times, the balances have exceeded the amounts covered by FDIC insurance. The Organization believes that there is no significant risk with respect to these account balances.

Furniture and Equipment

Office furniture and equipment is reported at cost and depreciated over the assets' estimated useful lives using the straight-line method. Acquisitions in excess of \$1,000 are capitalized. Estimated useful lives range 5-7 years for furniture and 3-5 years for office equipment.

Use of Estimates

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

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NOTES TO FINANCIAL STATEMENTS UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Date of Management Review

Subsequent events were evaluated through February 28, 2022, which is the date the financial statements were available to be issued. As of this date, no subsequent events were noted.

Comparative Data

The amounts shown for the fiscal year ended June 30, 2020, in the accompanying statement of functional expenses present summarized comparative totals only. Accordingly, the 2020 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized comparative information was derived.

Reclassifications

Certain reclassifications have been made to the June 30, 2020, statement of functional expenses to conform to the June 30, 2021, presentation.

Adoption of New Accounting Standard

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*. ASU No. 2014-09 introduces new, increased requirements for disclosure of revenue in financial statements and is intended to eliminate inconsistencies in revenue recognition and thereby improve financial reporting comparability across entities, industries, and capital markets. The Organization adopted ASU No. 2014-09 effective July 1, 2020, as required; however, the adoption of ASU No. 2014-09 did not have a material effect on the Organization's reported results of operations, financial position, or cash flows. No cumulative effect adjustment was recorded as the Organization's revenues are already recognized in a manner consistent with the requirements of ASU No. 2014-09.

Accounting Pronouncements Issued But Not Yet Adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The new standard establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the impact of its pending adoption of the new standard on its financial statements.

Note 3 - Furniture and Equipment

Furniture and equipment consists of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Furniture and Equipment	\$ 6,743	\$ 5,594
(Less Accumulated Depreciation)	(4,966)	(4,609)
Total	<u>\$ 1,777</u>	<u>\$ 985</u>

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NOTES TO FINANCIAL STATEMENTS UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Note 4 - Retirement Plan

The Organization has a retirement plan and deferred compensation plan, which cover employees over the age of 21. Employees may contribute the maximum amount allowed by law. The Organization contributed 9% of participants' compensation for 2021 and 2020. Contributions to the plan for the years ended June 30, 2021 and 2020, were \$11,859 and \$15,580, respectively.

Note 5 - Leases

The Organization leases its office space from the United Way of the Big Bend. The agreement is from year to year. Rent expense totaled \$11,330 and \$11,330 for the years ended June 30, 2021 and 2020, respectively.

Note 6 - Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and has been classified as an other-than private foundation. Therefore, no provision for income taxes has been recorded.

The FASB issued guidance that requires tax effects from an uncertain tax position to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. If an uncertain tax position meets the more-likely-than-not threshold, the largest amount of tax benefit that is greater than 50% likely to be recognized upon ultimate settlement with the taxing authority is recorded. The Organization is exempt from income tax under IRC Section 501(c)(3), though it is subject to tax on income to its exempt purposes, unless that income is otherwise excluded by the IRC. There are no tax positions for which a material change in any unrecognized tax benefit liability is reasonably possible in the next 12 months. There is no interest or penalties recognized in the income statement or balance sheet. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

Note 7 - Net Assets

The Organization continues to receive contributions for victims of hurricanes. These funds were received and distributed to the affected counties in Florida. The remaining balance will be distributed in the future. The following table details the contributions received for these net assets with donor restrictions:

	<u>Hurricane Contributions</u>
Balance - June 2019	\$ 18,776
Received	4,650
Distributed	<u>(4,650)</u>
Balance - June 2020	18,776
Received	723
Distributed	<u>(423)</u>
Balance - June 2021	<u>\$ 19,076</u>

The Organization's net assets without donor restrictions include amounts that are designated by its Board of Governors for specific purposes. This includes \$23,500 earmarked for future disasters.

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NOTES TO FINANCIAL STATEMENTS UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Note 8 - Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2021</u>	<u>2020</u>
Organization's Financial Assets, at June 30		
Cash on Deposit	\$ 243,249	\$ 175,253
Dues Receivable	<u>1,940</u>	<u>5,998</u>
Total Financial Assets	<u>245,189</u>	<u>181,251</u>
Less Those Unavailable for General Expenditures within One Year, Due to:		
Contractual or Donors Imposed Restrictions:		
Restricted by Donors or with Time or Purpose Restrictions	<u>(19,076)</u>	<u>(18,776)</u>
Organization's Financial Assets Available to Meet Cash Needs for Expenditures within One Year	<u>\$ 226,113</u>	<u>\$ 162,475</u>

Note 9 - Federal and State Single Audit Requirements

The Organization had less than \$750,000 in expenses qualifying as federal awards under the *Uniform Guidance*, or State Financial Assistance under the *Florida Single Audit Act*; therefore, no federal or state Single Audit was required for the years ended June 30, 2021 and 2020.

Note 10 - Paycheck Protection Loan

In May of 2020, the Organization received loan proceeds in the amount of \$47,685 under the Paycheck Protection Program (PPP). The PPP, established as part of the *Coronavirus Aid, Relief and Economic Security Act (CARES Act)* as amended by the *Paycheck Protection Program Flexibility Act of 2020*, provides loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels. Under provisions of the CARES Act, the Organization submitted an application for debt forgiveness which was approved by the State Board of Administration subsequent to the end of the fiscal year in September 2021.